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File #2025030888

IN THE MATTER OF A DISCIPLINE PROCEEDING HELD PURSUANT TO THE *REAL ESTATE AND BUSINESS BROKERS ACT, 2002*, S.O. 2002, c. 30, Sch. C

BETWEEN:

REAL ESTATE COUNCIL OF ONTARIO

- AND -

DANIEL CROSS (registered as DAN CROSS)

DISCIPLINE DECISION AND REASONS FOR DECISION

Subject to Rule 4.02 of the Discipline and Appeals Committee Rules of Practice (*REBBA 2002*), I, the Chair of the Discipline Committee (*REBBA 2002*) have reviewed and considered the Agreed Statement of Facts and Penalty together with the Waiver of Hearing submitted by the Parties to this proceeding and provide the following Order:

FINDINGS: In violation of Sections 4, 5(1), 21(2) and 38 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of $13,000.00 payable to RECO not later than nine (9) months after the date of the Decision of the Discipline Committee: June 28, 2027

Successful completion of "*CE Professional Practice*" course no later than nine (9) months after the date of the Decision of the Discipline Committee, and to provide proof of completion to RECO within 60 days of completion of the course.

WRITTEN REASONS: *attached*

Lucy Aita

Chair, Discipline Committee (*REBBA 2002*)

REASONS FOR DECISION

INTRODUCTION

This matter proceeded on the basis of an Agreed Statement of Facts and Penalty and Waiver of Hearing, pursuant to Rule 4.02 of the Rules of Practice (*REBBA 2002*).

The Agreed Statement of Facts and Penalty read:

AGREED STATEMENT OF FACTS AND PENALTY
It is agreed as follows:

1. At all relevant times, Daniel Cross registered as Dan Cross ("Cross") was registered as a salesperson under the *Real Estate and Business Brokers Act, 2002* ("Act"), and who is currently registered under the *Trust in Real Estate Services Act, 2002*.
2. At all relevant times, Cross was employed at the brokerage Brokerage A ("Brokerage A"). Cross is currently employed at the brokerage Brokerage B ("Brokerage B").
3. Consumer A (the "Complainant") is the buyer of a property located at Street A, Town A, Ontario (the "Property").
4. On or about October 16, 2020, Cross, on behalf of their seller-client(s), entered into a representation agreement for the sale of the property.
5. Following the listing of the Property, Cross received feedback from other representatives who attended showings with their perspective clients that there was a strong odour from the cats at the Property.
6. Cross advised their seller-client to replace the flooring, clean the Property and remove the cats so that the Property could sell. The seller-clients retained professional services from Company A to assist with the cleansing of the Property. The Property listing was suspended to allow time for rectification of the issue.
7. After the rectification efforts showings were reactivated, with no further complaints.
8. On or about January 13, 2021, the Complainant entered into a representation agreement ("RA") with Cross and Brokerage A as they were interested in submitting an offer on the Property. Cross proceeded to prepare an Agreement of Purchase and Sale ("APS") on behalf of the Complainant.
9. On or about January 15, 2021, the APS for the Property was accepted and acknowledged by all parties. The Completion of the APS was scheduled for March 8, 2021.

10. The Complainant advises that they did attend the Property on January 13, 2021, prior to submitting an offer on the Property. The Complainant states that during this visit at the Property they wore a mask due to COVID restrictions and the cat odour was not noticeable.

11. The APS allowed for three (3) visits to the Property and included a home inspection clause that the Complainant chose to undertake with his father. The Complainant advises that they completed two (2) of the three (3) permitted visits to the Property.

12. The Complainant advises that the Property sale completed on March 8, 2021. Immediately after the closing of the Property and prior to moving into the Property, the Complainant advises that he discovered the following:

    a) An extreme odour of cat urine and/or ammonia emanating throughout the Property; and

    b) In each air vent duct in the Property's forced air furnace system, multiple dryer sheets soaked in essential oils and/or other like fragrances.

13. Upon the findings at the Property, the Complainant proceeded to retain the services of a remediation company, Company A (which had done the earlier remedial work for the Sellers for $847.50), to conduct an inspection of the Property. The inspection revealed urine staining and damage throughout the Property, including the floors, walls, woodwork and drywall. The damage was viewed through the use of ultra-violet light technology and is not noticeable on a visual inspection. Company A provided an estimate in the range of $40,000.00 to $60,000.00 for restoration.

14. The Complainant alleges that the Property is uninhabitable and that it requires extensive restoration to remove the urine contamination.

15. The Complainant states at no material time during their interactions with Cross, were they advised of any urine contamination issue(s) at the Property.

16. The Complainant states that Cross failed to disclose the cat urine issue at the Property prior to them submitting and/or confirming an APS. The Complainant feels they were misled by Cross regarding the condition of the Property and/or were not represented in their best interests.

SUMMARY OF AGREEMENTS

It is agreed that Cross failed to comply with the Code of Ethics as follows:

A. Cross, while engaged in multiple representation, failed and/or neglected to disclose a material defect and/or issue(s) regarding the Property to the Complainant prior to them submitting an APS on the Property, contrary to sections, 4, 5, (1), 21(2), 38 and of the Code of Ethics, O Reg 580/05.

It is agreed that Cross failed to comply with the following sections of the Code of Ethics:

Best interests

4. A registrant shall promote and protect the best interests of the registrant's client.

Conscientious and competent service, etc.

5. A registrant shall provide conscientious service to the registrant's clients and customers and shall demonstrate reasonable knowledge, skill, judgment and competence in providing those services.

Material facts

21. (2) A broker or salesperson who has a customer in respect of the acquisition or disposition of a particular interest in real estate shall, at the earliest practicable opportunity, disclose to the customer the material facts relating to the acquisition or disposition that are known by or ought to be known by the broker or salesperson.

Error, misrepresentation, fraud, etc.

38. A registrant shall use the registrant's best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in real estate.

AGREED PENALTY

The Respondent understands and agrees to the following penalty:

To pay a fine of **$13,000.00** not later than **nine (9) months** after the date of the Decision of the Discipline Committee.

To successfully complete the following courses or programs by the identified completion date:

Course Title (Provider)	**Completion date**
CE Professional Practice	No later than **nine (9) months** after the date of the Decision of the Discipline Committee

To provide proof of completion to RECO within **60 days** of completion of the courses.

Respondent acknowledgements:

1. I acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions.
2. I acknowledge my right to seek legal counsel in this matter before signing this agreement.
3. I agree, understand, acknowledge and consent to waiving my right to a hearing before the Discipline Committee.

Waiver of hearing before the Discipline Committee:

4. The parties consent to disposing of the matter without a hearing before the Discipline Committee and agree to the terms set out herein.
5. The parties request an Order from the Chair of the Discipline Committee that includes this Agreement of Facts and Penalty as a final settlement of this matter.

By signature below the Parties agree, acknowledge, understand and consent to the final settlement of this matter by way of this Agreed Statement of Facts and Penalty.

[*The Agreed Statement was duly signed by the Parties*.]

DECISION OF THE CHAIR

Having reviewed and considered the Agreed Statement of Facts, the Chair of the Discipline Committee (*REBBA 2002*) concluded that the Respondent breached Sections 4, 5(1), 21(2) and 38 of the *REBBA 2002* Code of Ethics.

The Chair of the Discipline Committee (*REBBA 2002*) is also in agreement with the joint submission of the Parties as to penalty and accordingly makes the following order:

1. CROSS, Daniel, registered as CROSS, Dan, is ordered to pay a fine in the amount of $13,000.00 payable to RECO, not later than nine (9) months after the date of the Decision of the Discipline Committee.

2. CROSS, Daniel, registered as CROSS, Dan, is ordered to successfully complete the “CE Professional Practice” course no later than nine (9) months after the date of the Decision of the Discipline Committee, and to provide proof of completion to RECO within 60 days of completion of the course.

   Released: September 28, 2026