



# Real Estate Council Of Ontario

Regulatory Digest



Issue 21: October 2017



RECO's legal library

*RECO's mission is excellence in the delivery of regulatory services that protect the public interest and enhance consumer confidence in the real estate profession.*

*RECO's vision is public trust and confidence in Ontario's real estate profession.*

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The Real Estate Council of Ontario (RECO) administers and enforces the *Real Estate and Business Brokers Act, 2002* (REBBA 2002) and its regulations on behalf of the Ontario government.

REBBA 2002 requires registered real estate professionals to conduct themselves and their businesses in a manner that protects consumers in real estate transactions. Failure to do so could lead to regulatory action. Further, with few exceptions, anyone who trades in real estate must be registered under REBBA 2002. Trading in real estate without the benefit of registration or an exemption could lead to prosecution under REBBA 2002.

RECO's enforcement of REBBA 2002 helps to ensure public trust and confidence in Ontario's real estate profession.

The ***Regulatory Digest*** is an online resource that summarizes RECO's regulatory actions involving:

- the Registrar issuing a Notice of Proposal to revoke, suspend, refuse to renew, or apply conditions to a registration;
- offences related to REBBA 2002 and its regulations resulting in prosecution in the Provincial Offences Courts;
- breaches of the Code of Ethics that are referred to a hearing in front of the Discipline Committee or Appeals Committee; and
- dispute resolution with an outcome agreeable to all parties.

Decisions are not published until the appeal period has expired or the appeal has been heard or abandoned. For the latest decisions, visit RECO's website ([www.reco.on.ca](http://www.reco.on.ca)).

# Licence Appeal Tribunal

A registrant may appeal a Registrar's proposal to the Licence Appeal Tribunal (LAT). LAT handles appeals under several statutes that deal with both licences and registrations. A registrant seeking an appeal must provide written notice within 15 days of the proposal.

*There were no LAT decisions in October 2017.*

# Provincial Offences Act

Offences under REBBA 2002, other than violations of the Code of Ethics, may be prosecuted in the Ontario Provincial Offences Court. Individuals convicted of offences are subject to fines of up to \$50,000 and/or prison terms of up to two years less a day. Corporations are subject to fines of up to \$250,000. These fines are collected by the government. Convicted parties are also subject to a victim surcharge. The surcharge is collected by the Court for the Victims' Justice Fund.

NAME	REG. STATUS	LOCATION	CHARGE	DATE	RESULT
Stephen Wai Ho Chung	Terminated	Toronto, ON	Furnishing false information on an Application for Reinstatement for registration as a salesperson	Convicted and sentenced: October 16, 2017	Guilty. Fined \$2,000.
Xue Hang (also known as Sherry Hang)	Registered	Richmond Hill, ON	- Failing to disclose secondary employment as a mortgage agent -Failing to disclose secondary employment as a paralegal	Convicted and sentenced: October 16, 2017.	Guilty. Fined \$3,500.

## Discipline Committee & Appeals Committee

Matters that involve alleged breaches of the Code of Ethics may be referred to the Discipline Committee for a hearing. Individuals found in violation may be ordered to take educational courses, pay a fine of up to \$25,000, and may be required to pay fixed or imposed costs.

Keywords are provided for each summary to help readers locate similar Discipline and Appeals decisions using the search feature available on RECO's website under "Complaints & Enforcement."

NAME	LOCATION	DATE	RESULT	KEYWORDS
<a href="#">Michele Andrea Denniston</a>	Thornhill, ON	October 2, 2017	Fined \$6,000.	Misrepresentation (negligence)
<a href="#">Francis Joseph</a>	Markham, ON	October 6, 2017	Fined \$3,000.	Duty to Client, Conscientious and Competent Service, Misrepresentation (negligence), Unprofessional Conduct
<a href="#">Wayne Edward Shantz</a>	Toronto, ON	October 19, 2017	Fined \$2,500.	Duty to Client, Conscientious and Competent Service, Unprofessional Conduct

# Resolved Complaints

Under certain circumstances, the Registrar may attempt to resolve a complaint between the parties. RECO does not have the authority to impose a resolution to monetary or contractual disputes, or to assess or award damages. Any exchange of money mentioned in the following summaries was agreed upon voluntarily by the complainant and respondent.

**Complainant:** Buyer  
**Respondent:** Seller's Representative  
**Date of Release:** October 13, 2017

## Summary:

- The buyer complained that the tax information on the listing was inaccurate, which ended up costing the buyer much more than they anticipated.
- The buyer demanded that the seller's representative pay for the difference in the taxes for several years.

## Agreement:

- The seller's representative and their brokerage paid the difference in taxes for five years in advance.
- 

**Complainant:** Seller  
**Respondent:** Buyer's Representative  
**Date of Release:** October 19, 2017

## Summary:

- The buyer's representative opened the door and allowed the buyer to view the property without being accompanied by a registrant.
- The buyer's representative was allergic to pets, and chose to wait outside on the street while the showing was taking place.

## Agreement:

- The buyer's representative agreed to send a letter of apology and a gift card to the seller.

**Complainant:** Consumer  
**Respondent:** Salesperson  
Date of Release: October 16, 2017

**Summary:**

- The consumer received an advertisement brochure from the salesperson, promoting a property that was listed for sale.
- The brochure also included a list of recently sold properties in the area, including addresses, descriptions and sold prices.
- The consumer had recently bought one of the properties listed and had not given consent to advertise any details of the transaction.

**Agreement:**

- The salesperson and the Broker of Record each provided letters to the buyer that apologized for the error and explained the measures that they implemented to prevent a similar situation from happening in the future.
- The remaining undelivered brochures were destroyed.

**Complainant:** Seller's Representative  
**Respondent:** Buyer's Representative  
Date of Release: October 20, 2017

**Summary:**

- The buyer's representative failed to show up for a scheduled appointment and did not contact the listing brokerage to cancel.

**Agreement:**

- The buyer's representative provided an apology letter to the seller.