

REAL ESTATE COUNCIL OF ALBERTA

NOTICE OF ADMINISTRATIVE PENALTY

**To: Shamon Kureshi, Broker
c/o Hope Street Real Estate Corp.
109, 1117 -1 St. SW
Calgary, AB T2R 0T9**

**And to: Hope Street Real Estate Group Inc.
c/o Shamon Kureshi
1010, 1 Ave. NW
Calgary, Alberta T2N 0A7**

In accordance with section 83 and the Bylaws of the *Real Estate Act*, RSA 2000 c R-5 (hereinafter the "**Act**"), the Executive Director of the Real Estate Council of Alberta (hereinafter "**RECA**") is of the opinion that you, **Shamon Kureshi**, and Hope Street Real Estate Group Inc. ("**Hope Street**") have contravened Section 17 of the Act and hereby assesses an Administrative Penalty against you in the amount **of \$5,000.00**. The evidence giving rise to the Executive Director's decision is as follows:

1. On or about July 16, 2006, Hope Street was incorporated in Alberta. Hope Street has never been authorized to trade in real estate or applied for authorization to trade in real estate through the Real Estate Council of Alberta, nor has it ever been authorized to advertise or hold itself out as a real estate brokerage. At all material times, you were the controlling mind and acted on behalf of Hope Street.
2. In or about 2006 and 2007, Hope Street maintained a website and advertised for services including property management, tenant services, rental marketing, property assessment and real estate investment.
3. In or about 2006 to 2008, you, on behalf of Hope Street, entered into contracts for property management services in relation to the following properties:
 - 286 Tuscan Drive NW, Calgary, Alberta;
 - 60 Woodmont Drive SW, Calgary, Alberta;
 - 52 Faldale Close NE, Calgary, Alberta;

- 132, 56 Hamlet Road SW, Calgary Alberta.
4. In or about 2006 to 2008, you, on behalf of Hope Street, entered into contracts and provided property management services, which included marketing and advertising, leasing, collection of security deposits and rent monies and holding same in trust, maintenance, and acting on behalf of the owner on all actions with tenants, in relation to the following properties:
 - 63 Patterson Hill SW, Calgary, Alberta; and
 - 505, 1410 1 Street SE, Calgary, Alberta.
 5. Hope Street, through you, accepted fees from the owners for the property management services provided.
 6. You, on behalf of Hope Street, have admitted that Hope Street was unauthorized to provide property management services that Hope Street managed properties for private landlords, that you assisted Hope Street in providing unauthorized property management services and that you did not advise potential clients of Hope Street that Hope Street was unauthorized to provided property management services.

The Executive Director is of the opinion that the above noted conduct is in contravention of Section 17 of the Act, which provides:

17 No person shall

- (a) trade in real estate as a real estate broker,
- (b) deal as a mortgage broker,
- (c) act as a real estate appraiser, or
- (d) advertise himself or herself as, or in any way hold himself or herself out as, a mortgage broker, real estate broker or real estate appraiser

unless that person holds the appropriate authorization for that purpose issued by the Council.

In accordance with section 83 of the Act and Part 4 of the Act's Bylaws, the Executive Director hereby assesses an Administrative Penalty in the amount of **\$5,000.00** against you.

Payment of this Administrative Penalty shall be accepted by the Executive Director as complete satisfaction of the amount of the penalty and no further proceedings under Part 6 of the Act will be taken against you in respect of the contravention. A person who pays an Administrative Penalty may not be charged under the Act with an offense in respect of those contraventions.

This sum of **\$5,000.00** is payable to the Real Estate Council of Alberta within thirty (30) days of the date of issuance of this Notice of Administrative Penalty. If you fail to pay the amount set out in this notice, the Executive Director may commence legal action against you to recover the amount owing in respect of the Administrative Penalty as a debt due to the Real Estate Council of Alberta.

If you dispute this Notice of Administrative Penalty in accordance with s. 83.1 of the Act, you may appeal it to a Hearing Panel. You will be given a full opportunity consistent with procedural fairness and natural justice to present evidence before the Hearing Panel and make representations in relation to the contravention.

If you have any questions in regard to this Notice of Administrative Penalty, please contact Sarah Cudmore of Parlee McLaws LLP by telephone at (403) 294-7069 or by email at scudmore@parlee.com.

DATED this 19th day of October, 2010.

REAL ESTATE COUNCIL OF ALBERTA

Per:

Bob Myroniuk
Executive Director

cc: Sarah Cudmore
Parlee McLaws LLP