

**IN THE MATTER OF THE Real Estate Act, R.S.A. 2000 c. R-5**

**AND IN THE MATTER OF WALID FAKHREDDINE, Real Estate Associate, registered at all material times to Elite Ownership Group Ltd. o/a Re/Max Elite, currently registered with Re/Max Real Estate (Edmonton) o/a Re/Max Real Estate**

**INTRODUCTION**

1. The Executive Director of the Real Estate Council of Alberta conducted an investigation into whether the conduct of Walid Fakhreddine (hereinafter "Mr. Fakhreddine"), real estate associate, registered at all material times to Re/Max Elite, is deserving of sanction and/or whether he breached the requirements of the *Real Estate Act* (hereinafter the "*Act*") or the *Real Estate Act Rules* (hereinafter the "*Rules*") prescribed pursuant thereto.
2. The Executive Director and Walid Fakhreddine agree to resolve all matters against Walid Fakhreddine on the terms and conditions set out herein.

**AGREED STATEMENT OF FACTS**

3. Mr. Fakhreddine has been licenced as a real estate associate in Alberta since July 7, 2005.
4. Mr. Fakhreddine has no previous disciplinary history with RECA.
5. As a result of a complaint made by a member of the public, RECA commenced an investigation with respect to the conduct of Mr. Fakhreddine in relation to his activities surrounding a condominium property located at 12715 - 81 Street, Edmonton.
6. 1179965 Alberta Ltd. was the owner of a condominium complex located at 12715 - 81 Street, Edmonton.
7. In or around 2008, 1179965 Alberta Ltd. undertook a condominium conversion of the units located in the building.
8. In or around 2008, 1179965 Alberta Ltd. contacted Wally Fakhreddine about listing for sale several units in the condominium complex.
9. In 2008, Mr. Fakhreddine along with B.V. and A.K. were representing 1179965 Alberta Ltd. in the corporation's sale of the condominium units in the condominium complex.

13. There were advertising signs on Re/MAX Elite signage setting out that the condominium was a:

CMHC Approved Building

14. CMHC does not approve buildings for mortgage financing.

15. In or around January 2009, M.R. and his wife N.R. saw a sign referred to in paragraph 13 and contacted Mr. Fakhreddine about the condominium units which were available for sale.

16. On the Authority to Sell document for the condominium unit located at #6, 12715 - 81 Street, the following was set out:

- That the Authority to Sell would automatically expire on February 30, 2009
- That this document was signed in Edmonton on January 6, 2006.

17. This document was actually signed in January 2009, not in January 2006 as indicated.

18. In or around January 6, 2009, the R's submitted an Offer to Purchase through Mr. Fakhreddine for the purchase of #6, 12715 - 81 Street, Edmonton.

19. Mr. Fakhreddine was representing both the R's and 1179965 Alberta Ltd. in respect of this Offer to Purchase.

20. The Offer to Purchase was prepared by Mr. Fakhreddine. The terms and conditions set out in this Offer to Purchase were:

- Initial Deposit       \$100
- Additional Deposit   \$7475
- Purchase Price       \$151 500
- Contract subject to Buyers' Conditions of approving a Property Inspection and reviewing and approving the condominium documents.

21. The Offer to Purchase set out that any additional deposits were to be paid by the buyers to Master and Master Real Estate upon the removal of conditions.

22. The Offer to Purchase entered into by the R's and 1179965 Alberta Ltd. required that all deposit monies paid by the R's in relation to this transaction were to be held in a trust account.

23. Mr. Fakhreddine never verified the identity of Master and Master Real Estate nor did he verify whether or not Master and Master Real Estate held a trust account.

24. Conditions were removed on January 16, 2009. On this date a Condition Removal document was completed by the R's. Mr. Fakhreddine listed himself as a witness to N.R.'s signature on this document when in fact he did not witness her signing the document.

25. The transaction between the R's and 1179965 Alberta Ltd. ultimately did not proceed.

## **CONCLUSION**

26. By reason of the matters described herein, Walid Fakhreddine's conduct is deserving of sanction, in that he:

a) Failed to provide a competent service, contrary to section 41(b) of the *Real Estate Act Rules* by:

- creating a contract with an expiry date which was a date that did not exist;
- writing on a contract that the contract was signed on January 6, 2006 when in fact it was signed on January 9, 2009;
- failing to verify the identity of Master and Master Corporation; and
- failing to verify whether or not Master and Master Corporation held a trust account.

b) Made representations or carried on conduct that was reckless or intentional and that misleads or deceives any person or was likely to do so, contrary to section 42(a) of the *Real Estate Act Rules* by:

- indicated himself as a witness to N.R.'s signature when he in fact did not witness her signature; and
- participating in advertising for the condominium property which stated that the condominium property was a "CMHC approved building" when it was not

## **SETTLEMENT TERMS**

27. It is agreed that the following mitigating factors are relevant to the assessment of sanction in this case:

- a) Walid Fakhreddine admits to the conduct set out in this Consent Agreement and acknowledges the seriousness of the contraventions and the harm caused to the integrity of the industry;
- b) Walid Fakhreddine has agreed to forego the time and expense of a hearing thereby saving witnesses the inconvenience and stress of attending at a hearing of the matter by entering into the within Consent Agreement;

28. It is agreed that the following aggravating factors are relevant to the assessment of the appropriate sanction in this case:

- a) The duties of honesty and competency are integral to the integrity of the entire industry.

29. In settlement of these issues, Walid Fakhreddine agrees that he will pay to the Real Estate Council of Alberta a fine in the amount of \$6000 (\$3000 for a breach of section 41(b) of the *Real Estate Act Rules* and \$3000 for a breach of section 42(a) of the *Real Estate Act Rules*) and costs in the amount of \$1000.

30. Mr. Fakhreddine agrees that as a condition of his authorization to trade in real estate, he will, within 6 months of the ratification of this Consent Agreement by the Hearing Panel, successfully complete the Contract Law portion of Section 3 of Phase 2 course of the Real Estate Associate Program offered by the Alberta Real Estate Association or a similar course or courses as the sole discretion of the Executive Director.

31. Mr. Fakhreddine acknowledges that he has been given an opportunity to seek the advice of legal counsel and acknowledges that he is agreeing to the terms of settlement of his own free will.

32. Mr. Fakhreddine is aware that a copy of this Consent Agreement will be placed on his file and may be reviewed and considered in any future disciplinary proceedings.

33. Mr. Fakhreddine is aware the Real Estate Council of Alberta may publish the contents of this Consent Agreement.

34. Mr. Fakhreddine hereby waives any rights he may have under the Act or otherwise to a review, hearing, appeal or other judicial proceeding involving the matter referred to herein.

35. These settlement terms are intended to resolve all matters described herein and, subject to the approval of the hearing Panel, the Executive Director will take no further action under the Act or before the courts in this regard.

**AFFIDAVIT OF EXECUTION**

CANADA ) I, L.R. of  
 )  
 PROVINCE OF ALBERTA ) the City of Edmonton, in the Province of  
 ) Alberta  
 )  
 TO WIT: ) MAKE OATH AND SAY:

1. THAT I was personally present and did see Walid Fakhreddine, named in the annexed instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purpose named therein.
2. THAT the same was executed at the City of Edmonton, in the Province of Alberta, and that I am the subscribing witness thereto.
3. THAT I know the said party and he is in my belief of the full age of eighteen years.

SWORN BEFORE ME at the City )  
 of Edmonton, in the Province of )  
 Alberta this 17 day of )  
 August, 2011. )  
 ) *L.R.*  
 ) (signature of witness)  
 V.W. )  
 A Commissioner for Oaths in and )  
 for the Province of Alberta

