

REAL ESTATE COUNCIL OF ALBERTA
NOTICE OF ADMINISTRATIVE PENALTY

To: Mr. Len Thomas Wong, Broker
Re/Max Len T. Wong & Associates Real Estate
20, 2439 54 Ave SW
Calgary, AB T3E 1M4

In accordance with section 83 and the Bylaws of the *Real Estate Act* RSA 2000 c R-5, (Act), the Executive Director of the Real Estate Council of Alberta (RECA) is of the opinion that Len Thomas Wong (Mr. Wong), has contravened section 17 of the Act and hereby assesses an Administrative Penalty in the amount of **\$2,500**. The evidence giving rise to the Executive Director's decision is as follows:

Information received indicates on or around 2007 you assisted D.S. and W.S. (S.'s) with the purchase of a property located at 2611 Lougheed Drive SW, Calgary, Alberta. On or about May 1, 2011, you were contacted by the S.'s, who wanted you to provide them with an opinion of a value for the purpose of refinancing their home. This request was in relation to their receipt of a real estate appraisal from a licensed appraiser which they thought undervalued their property.

On or about May 1, 2011, you created a document which you titled: "Appraisal 2611 Longheed Drive SW" (sic).

You further provided a letter to the S's which stated: "After inspection of your beautiful home with all the upgrades done and reviewing the most recent sales in Lakeview, the approximate value of your property would be \$595,000. Enclosed were recent comparable sales in the area.

At the time of providing this information you indicate you were aware the S's would be providing this information to a lender and that it was anticipated the lender would rely on your opinion of value for the purpose of the S's obtaining refinancing.

The Executive Director is of the opinion that the above noted conduct is in violation of section 17 of the *Real Estate Act* which sets out that:

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 Bylaws, the Executive Director hereby assesses an Administrative Penalty in the amount of **\$2,500** against you.

The circumstances of this matter indicate the following aggravating and mitigating factors were considered:

Aggravating Factors

- You have been a licensed real estate broker since February, 2002, and ought to have been aware of the real estate appraiser authorization requirements
- Your conduct was intentional
- The lender acted on your information as being lawful
- There is a need to deter unauthorized activity

Mitigating Factors

- There has been no previous incidence of this conduct
- You did not receive remuneration for the appraisal

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 offence in respect of those contraventions.

This sum of **\$2,500** is payable to RECA 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 RECA.

If you dispute this Notice of Administrative Penalty in accordance with section 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 Carla Sasley, Investigator, at RECA.

DATED this 22nd day of November, 2011.

REAL ESTATE COUNCIL OF ALBERTA

Per: *Joseph Fernandez*, for
Bob Myroniuk
Executive Director