

June 10, 2010

*Private and Confidential*

## LETTER OF REPRIMAND

**Re: Investigation by the Real Estate Council of Alberta – File**

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In accordance with s. 39 of the *Real Estate Act*, R.S.A. 2000 c. R-5 (the “**Act**”), the Executive Director of the Real Estate Council of Alberta (RECA) has determined that there is sufficient evidence of conduct deserving of sanction in regard to you, [(the “Industry Member”)], associate, registered to trade in real estate with [(the “Brokerage”)] at all material times, to issue a letter of reprimand. The evidence giving rise to the Executive Director’s decision is as follows:

On July 22, 2006, you and D.B. sold your property to P.S.. You offered to act as P.S.’s property manager. You contacted P.S. in April 2007 to inform P.S. you had found renters for the property. You failed to disclose to P.S. that the tenant was your employee, or the payment arrangement you had with the tenant. The tenant expressed concern to you on several occasions about the wiring in the basement. You failed to advise P.S. the wiring in the basement was not completed and posed a potential risk to tenants.

The Executive Director believes that this conduct is in contravention of Sections 41(d) and (f) of the Rules made pursuant to the *Real Estate Act* which sets out that:

41 Industry members must

- (d) fulfill their fiduciary obligations to their clients
- (f) disclose to their clients, at the earliest practical opportunity, any conflict of interest they may have in the course of providing services to, or in their dealings with, a client;

The Executive Director believes that this is conduct deserving of sanction but also believes this matter can be dealt with by way of this Letter of Reprimand.

If you dispute this Letter of Reprimand, in accordance with s. 40.1(2) of the *Real Estate 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 Letter of Reprimand, please contact Joseph Fernandez, Director of Audits and Investigations at the Real Estate Council of Alberta.

**REAL ESTATE COUNCIL OF ALBERTA**

Per:

*Bob Myroniuk*  
Executive Director

c. S.J., Broker  
[(the "Brokerage")]