
**IN THE MATTER OF A DISCIPLINE PROCEEDING HELD PURSUANT TO THE
REAL ESTATE AND BUSINESS BROKERS ACT, 2002, S.O. 2002, c. 30, Sch. C**

BETWEEN:

REAL ESTATE COUNCIL OF ONTARIO

- AND -

SUNANDA SUBEDI

DISCIPLINE DECISION AND REASONS FOR DECISION

Subject to Rule 4.02 of the Discipline and Appeals Committee Rules of Practice (*REBBA 2002*), I, the Chair of the Discipline Committee (*REBBA 2002*) have reviewed and considered the Agreed Statement of Facts and Penalty together with the Waiver of Hearing submitted by the Parties to this proceeding and provide the following Order:

FINDINGS: In violation of Sections 4, 5, 6(1), 21(1), 27(1)(a)(b) and 38 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of \$7,000.00 payable to RECO on or before September 1, 2026, with at least \$1,000.00 of the total amount to be paid on or about April 1, 2026.

Successful completion of “*Introduction to TRESA*” course or program, not later than six (6) months after the date of the Decision of the Discipline Committee on this matter, and to provide proof of completion to RECO within 60 days of completion of the course.

WRITTEN REASONS: *attached*

REASONS FOR DECISION

INTRODUCTION

This matter proceeded on the basis of an Agreed Statement of Facts and Penalty and Waiver of Hearing, pursuant to Rule 4.02 of the Rules of Practice (*REBBA 2002*).

The Agreed Statement of Facts and Penalty read:

AGREED STATEMENT OF FACTS AND PENALTY

It is agreed as follows:

1. At all relevant times, Sunanda Subedi ("**Subedi**") was employed as a broker at Brokerage A (the "**Buyers' Brokerage**").
2. At all relevant times, Buyer A and Buyer B (the "**Buyers**") were the buyers of the subject property located at 1-A Crescent in London, Ontario (the "**Property**").
3. At all relevant times, Sam Legha (the "**Sellers' Representative**") was the sellers' representative.
4. At all relevant times, Seller A and Seller B (the "**Sellers**") were the sellers of the Property.
5. On or about March 1, 2021, the Buyers entered into a representation agreement with the Buyer's Brokerage with Subedi as the primary representative.
6. On or about March 29, 2021, Subedi submitted an offer on the Property on behalf of the Buyers for \$851,000 with a \$25,000 deposit.
7. Following negotiations, Subedi submitted an improved offer on the Property on behalf of the Buyers for \$886,000 with a \$25,000 deposit. The closing date was noted as May 28, 2021.
8. On or about March 29, 2021, at approximately 9:16 p.m., the Sellers' Representative sent an email (the "**Disclosure Email**") to Subedi that stated:

"Acceptance of the offer will be sent upon acknowledgement of this Disclosure below: "DISCLOSURE FROM SELLERS AND SELLER'S AGENTS" Clients were engaged in past in a criminal activity at the property. There were no murders or suicides or any death or injury but as a legal fiduciary duty, Seller's & Seller's Agents are disclosing it to all the parties. As per Sellers and Seller's Solicitor, there are no legal proceedings remain with respect to these individuals (Sellers) or this Subject Property (1A Cres, London, ON) as of today."

9. On or about March 29, 2021, at approximately 9:25 p.m., the confirmation of acceptance was signed by the Sellers.
10. On or about March 29, 2021, at approximately 9:26 p.m., Subedi replied to the Disclosure Email from the Sellers' Representative:

"Thank you very much for accepting my clients offer. Yes, I Acknowledge that I got the message and forwarded to my clients. My clients do not have any problem with seller's personal issues and property while in possession. My clients only seek the property without any legal issues when they close on completion of this transaction."
11. Despite the acknowledgement provided by Subedi in response to the Disclosure Email, the Buyers maintain that Subedi never informed them of the Disclosure Email at the time the acknowledgement was sent.
12. On or about May 26, 2021, two days prior to the scheduled completion date, Subedi forwarded the Disclosure Email to the Buyers' lawyer.
13. On or about May 28, 2021, the Buyers' lawyer sent a letter to the Sellers' lawyer outlining that the contract was made without disclosing the material facts in the agreement and requested a mutual release form and the release of the Buyers' deposit.
14. On or about May 28, 2021, the Sellers' lawyer sent a letter to the Buyers' lawyer outlining that the Sellers did disclose the material facts through the Disclosure Email sent March 29, 2021, from the Sellers' Representative to Subedi.
15. Based on the disclosure of past criminal activity at the Property, the Buyers did not close the transaction. The Sellers did not sign the mutual release, and the Buyers have not recovered their \$25,000 deposit.

SUMMARY OF AGREEMENTS

It is agreed that Subedi failed to comply with the Code of Ethics as follows:

- A. Subedi provided an acknowledgment on behalf of the buyers, accepting the disclosure of criminal activity, despite Subedi's failure to take the necessary steps to determine the nature of the activity contained in the disclosure of criminal activity prior to providing an acknowledgement, contrary to sections 4, 5, 6(1) and 21(1) of the Code of Ethics.
- B. Subedi failed to obtain a written acknowledgement of the disclosure of criminal activity from the Buyers and failed to advise the Buyers to consult an expert regarding the consequences of acknowledgement, contrary to sections 4, 5, 6(1), 27(1) and 38 of the Code of Ethics.

It is agreed that Subedi failed to comply with the following sections of the Code of Ethics:

Best interests

4. A registrant shall promote and protect the best interests of the registrant's clients.

Conscientious and competent service, etc.

5. A registrant shall provide conscientious service to the registrant's clients and customers and shall demonstrate reasonable knowledge, skill, judgment and competence in providing those services.

Providing opinions, etc.

6.(1) A registrant shall demonstrate reasonable knowledge, skill, judgment and competence in providing opinions, advice or information to any person in respect of a trade in real estate.

Material facts

21.(1) A registrant shall demonstrate reasonable knowledge, skill, judgment and competence in providing opinions, advice or information to any person in respect of a trade in real estate.

Written and legible agreements

27.(1) A registrant who represents a client in respect of a trade in real estate shall use the registrant's best efforts to ensure that,

(a) any agreement that deals with the conveyance of an interest in real estate is in writing; and

(b) any written agreement that deals with the conveyance of an interest in real estate is legible.

Error, misrepresentation, fraud, etc.

38. A registrant shall use the registrant's best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in real estate.

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- A. Subedi provided an acknowledgment on behalf of the buyers, accepting the disclosure of criminal activity, despite Subedi's failure to take the necessary steps to determine the nature of the activity contained in the disclosure of criminal activity prior to providing an acknowledgement, contrary to sections 4, 5, 6(1) and 21(1) of the Code of Ethics.
- B. Subedi failed to obtain a written acknowledgement of the disclosure of criminal activity from the Buyers and failed to advise the Buyers to consult an expert regarding the consequences of acknowledgement, contrary to sections 4, 5, 6(1), 27(1) and 38 of the Code of Ethics.

It is agreed that Subedi failed to comply with the following sections of the Code of Ethics:

Best interests

4. A registrant shall promote and protect the best interests of the registrant's clients.

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Error, misrepresentation, fraud, etc.

38. A registrant shall use the registrant's best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in real estate.

AGREED PENALTY

The Respondent understands and agrees to the following penalty:

To pay a fine in the total amount of **\$7,000.00** on or before **September 1, 2026**, **with at least \$1,000.00** of the total fine amount to be paid on or about **April 1, 2026**.

To successfully complete the following courses or programs by the identified completion date:

Course Title (Provider)	Completion date
Introduction to TRESA	Not later than 6 months after the date of the Decision of the Discipline Committee on this matter.

To provide proof of completion to RECO within **60 days** of completion of the courses.

Respondent acknowledgments:

1. I acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions.
2. I acknowledge my right to seek legal counsel in this matter before signing this agreement.
3. I agree, understand, acknowledge and consent to waiving my right to a hearing before the Discipline Committee.

Waiver of hearing before the Discipline Committee:

4. The parties consent to disposing of the matter without a hearing before the Discipline Committee and agree to the terms set out herein.
5. The parties request an Order from the Chair of the Discipline Committee that includes this Agreement of Facts and Penalty as a final settlement of this matter.

By signature below the Parties agree, acknowledge, understand and consent to the final settlement of this matter by way of this Agreed Statement of Facts and Penalty.

[The Agreed Statement was duly signed by the Parties.]

DECISION OF THE CHAIR

Having reviewed and considered the Agreed Statement of Facts, the Chair of the Discipline Committee (*REBBA 2002*) concluded that the Respondent breached Sections 4, 5, 6(1), 21(1), 27(1)(a)(b) and 38 of the *REBBA 2002* Code of Ethics. The Chair of the Discipline Committee (*REBBA 2002*) is also in agreement with the joint submission of the Parties as to penalty and accordingly makes the following order:

1. SUBEDI, Sunanda is ordered to pay a fine in the amount of \$7,000.00, payable to RECO, on or before September 1, 2026, with at least \$1,000.00 of the total amount to be paid on or about April 1, 2026.
2. SUBEDI, Sunanda is ordered to successfully complete the "Introduction to TRESA" course or program, not later than 6 months after the date of the Decision of the Discipline Committee on this matter, and to provide proof of completion to RECO within 60 days of completion of the courses.

Released: March 2, 2026