



Pursuing trust in every transaction

Real Estate Council of Ontario

File #2023090628

**IN THE MATTER OF A DISCIPLINE HEARING 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 -

MIKE MARCEL MORIN trading as MIKE MORIN

DISCIPLINE DECISION AND REASONS FOR DECISION

The Panel held a videoconference on April 11, 2025 to discuss the written submissions by all Parties with respect to Penalty and Costs. The Panel decided as follows:

ORDER: Fine of \$10,000.00, payable to RECO, within 180 days of RECO sending this decision.


Successful completion by the Registrant of the Real Estate Institute of Canada "REIC 2600: Ethics in Business Practice" course, and providing provide proof of completion to RECO within 180 days

COSTS AND EXPENSES: No order as to costs.


WRITTEN REASONS: *Attached*



Lucy Aita, Chairperson



Carole Murphy, Panel Member



Salim Somani, Panel Member

REASONS FOR DECISION

PENALTY AND COSTS

INTRODUCTION

The Respondent, Mike Morin (“Morin” and/or “the Respondent”), was present at the Discipline Hearing that took place on November 5, 2024, and David Kurt, Broker of Record, representing the Respondent was also present. At the conclusion of this Discipline Hearing, it was agreed by all present parties, and established by the Panel, that in the event the Panel found the Respondent to be in breach of the Code of Ethics, the parties would make written Submissions on Penalty and/or Costs.

The Panel considered the testimony of the witnesses at the Discipline Hearing, and all of the documentary evidence, and decided that the Respondent was in violation of Sections 5, 21(1), 21(2), and 38 of the Code of Ethics.

This Discipline Hearing Decision of the Panel was signed and sent to the Respondent, and his Representative, David Kurt, on January 21, 2025.

RECO’s written Penalty Submissions signed on January 27, 2025, and the Respondent’s written Penalty Submissions (undated) were received by the Panel and were considered when making the Decision regarding the appropriate penalty in this case.

RECO SUBMISSIONS REGARDING PENALTY AND COSTS

In its written Submissions, RECO submitted the following:

- The allegations which formed the basis for the Hearing related to claims that Morin, while in multiple representation, knowingly misrepresented the year when the subject property at 215 Nolin in Sudbury, Ontario (“the Property”) was built, which caused the buyer of the Property (“the Buyer and/or “the Complainant”) to

be negatively impacted financially as a result of the incorrect information provided by Morin.

- The Panel found that Morin failed to demonstrate reasonable judgment in providing real estate services when he included incorrect information in a Listing, more specifically the year the Property was built. It was accepted into evidence that the year built on the MPAC report contained the information “19353” as the year built and the Panel found that this should have raised red flags to Morin.
- Morin, in response to the allegations made against him, asserted that the value of the Property was not affected by his error regarding the date of build, and he took the position that the Complainant did not suffer any financial losses.
- The Panel concluded in their findings that no reasonable steps were taken by Morin to determine material facts relating to the acquisition or disposition of the Property, and therefore Morin did not disclose those material facts to his client, the Complainant, at the earliest practicable opportunity. Morin also did not use his best efforts to prevent this error that was misleading to the public regarding a trade in real estate.
- The Panel further found that Morin relied solely on the Property seller’s (“the Seller”) information despite the unclear description of the year of build on the MPAC Report, and the Respondent should have reasonably verified the build information particularly in this multiple representation if he was going to put the specific year of build in the Listing to be relied upon by the public.

RECO submitted that the following facts are relevant to the penalty disposition:

- Morin was in a multiple representation;
- Morin listed the Property on MLS with the year-built reflecting “1953”;

- The MPAC Report for the Property contained an error for the built year for the Property. It indicated a year of build of “19353” – which could not be correct;
- Morin inquired with the Seller regarding the built year. He was told “1953” and he did not take any other steps to confirm the information prior to the MLS Listing.
- The Complainant/Buyer was represented by Morin, and he heavily relied on the information and/or advice of Morin;
- Throughout the Discipline Hearing Morin was dismissive of the Complaint and/or the Complainant’s harm from Morin’s error;
- Morin owed a duty of care to the public and the Complainant as the public heavily relies on the information within an MLS Listing.
- It is critical that MLS Listings have correct information, and it was determined by the Panel that Morin could have left this information blank as it is not mandatory on the MLS Listing.
- Morin failed in his professional obligation in a multiple representation failing in his fiduciary duty to the Complainant when he knowingly provided incorrect information regarding the Property;
- Furthermore, knowing that the Property built year was possibly incorrect, he provided this same information to the Home Inspector during the inspection, leading to an inaccurate home inspection report;
- Morin did not provide any reasonable explanation as to why he chose to advertise on the MLS Listing the year built as “1953”, only providing his response that he believed the Seller.

RECO submitted that previous Decisions of the Discipline Committee are helpful as a guide to help the Panel in determining the appropriate penalty and stated that a comparison of similar cases is an important factor when considering the appropriateness of a disciplinary penalty.

In this instance, there are many Decisions of the Discipline Committee which involve misrepresentation on an MLS Listing and/or failing to take appropriate steps prior to listing to confirm material facts.

Most of these cases were resolved by way of Agreed Statements of Facts and Penalty (“ASFP”). RECO submitted that an ASFP Decision is helpful, but it does not carry the weight of a Decision made by a Panel that heard the evidence of the parties.

RECO stated that when a prosecutor negotiates a penalty for an ASFP they take the Respondent’s willingness to resolve the dispute and avoid a Hearing into account as a “mitigating factor”, noting that the Respondent’s refusal to settle is not an aggravating factor.

An ASFP contains a penalty that has been negotiated and determined between the parties without necessarily knowing what the adjudicators on the Discipline Committee Panel might determine to be appropriate.

RECO submitted the following comparable decisions on aspects of Morin’s conduct:

- November 8, 2023	RECO v Paramjit Deol	ASFP	\$12,500 + REIC 2600 Ethics & Business Practice
- April 24, 2024	RECO v David J. Van Sickle	ASFP	\$12,500 +MCE Course Introduction to TRESA
- May 14, 2024	RECO v Pasqua Amati	ASFP	\$ 9,000 +RECO’s Compliance in Ethics (Parts1& 2)
- November 25, 2024	RECO v John Chisholm	ASFP	\$ 8,000 +MCE Course Introduction to TRESA

RECO submitted that for the reasons illustrated in the Decision on Findings and other factors as set out above, the penalty in this case should be at the higher end of the spectrum.

RECO also outlined in their Submissions that the proposed increase in the maximum fines for the Code of Ethics violations was passed bringing the maximum fines to \$50,000 for individual salespersons and brokers and to \$100,000 for brokerages.

RECO submitted that having regard to the seriousness of Morin’s misconduct and based on the application of the Thompson factors, the following penalty is appropriate and justified in this instance:

i) An Order for a fine of \$12,000 payable within 180 days of the Decision of the Panel;

ii) An Order that Morin successfully completes MCE Introduction to TRESA and provides RECO with proof of completion within 180 days of Decision of the Panel.

RESPONDENTS' SUBMISSIONS ON PENALTY AND COSTS

Morin acknowledged for the first time in his Submissions that he should not have relied on the Seller's word regarding the year the Property was built, especially considering Geo-Warehouse had 5 digits for the year built, and he agrees that he should have contacted Geo-Warehouse to confirm the year built, and if that was unsuccessful he should have indicated the year built as "unknown" on the listing. He acknowledged that he fell short in terms of verifying material facts relating to the Property.

Morin stated in his Submissions that he provided conscientious service to the Buyer, demonstrated reasonable knowledge, skill, judgment, competence, and he disclosed material facts as he became aware of them.

Morin acknowledged in his Penalty Submissions that he fell short in failing to take reasonable steps to verify the material facts relating to the Property, and he submitted that now he sees that he could have made better efforts to prevent the error.

Morin submitted the following Decisions for the consideration of the Panel:

-2023-05-02	Daniel Heartman Bederman	Incorrect prop taxes on MLS	\$6,500	MCE Compliance & Ethics Pt 1
-2023-03-23	Wen Min Chen	Incorrect prop taxes and Square Footage on MLS	\$9,000	Ethics and Practice
-2024-05-12	Seyed Hossein Gharamsari	Incorrect prop taxes on MLS	\$6,000	MCE Intro to TRESA
-2024-06-06	Rafael Orlando Torres Olaya	Lock Box code given to unregistered individual	\$6,000	MCE Intro to TRESA
-2022-10-03	Reisha Natasha Dass	2 parking spots on MLS 1 shared, 1 not City approved	\$7,000	MCE Compliance & Ethics Pt 1 + 2

Morin submitted that he is at the low end of the severity spectrum when this matter is compared to the above Decisions.

Morin stated that he understands that Realtors are held to a higher standard, and that a mistake made by one reflects poorly on all.

Morin stated that in the nearly 10 years that he's been a Real Estate agent he offered above-par services, and he has never received any complaints until now.

Morin suggested that the Panel order a penalty as follows:

1. A fine in the amount of \$3,000 payable within 180 days of the Panel's decision.
2. The MCU MPAC course to be successfully completed and provide RECO with proof of completion within 180 days of the Panel's decision

PANEL'S DECISION

In accordance with the Decision **Registrar v. Suzette Thompson, Appeals Committee of RECO, May 31, 2012 ("Thompson")**, the following penalty factors have been established as being relevant for guiding the Panel in determining an appropriate penalty for breaches of the Code of Ethics:

- a) the nature and gravity of the breaches of the Code of Ethics;
- b) the role of the offending member in the breaches;
- c) whether the offending member suffered or gained because of the breaches;
- d) the impact of the breaches on the complainant or others;
- e) the need for there to be specific deterrence to protect the public;
- f) the need for there to be general deterrence to protect the public;
- g) the need to maintain the public's confidence in the integrity of the profession;

- h) the degree to which the breaches are regarded as being outside the range of acceptable conduct; and
- i) the range of sanctions in similar cases.

The Panel has applied the Thompson factors to the current case as follows:

The Nature and Gravity of the Breaches

In this case, it is RECO's submission that the nature and gravity of each of the breaches of the Code of Ethics fall towards the serious end of the spectrum. The Panel agrees.

Morin disregarded his fiduciary duties to the Complainant who was the Buyer in this real estate transaction – a primary duty that is well known amongst registrants.

Morin was involved in a multiple representation situation, and he knowingly provided the Buyer with misleading and/or incorrect information regarding the year the Property was built. The information was not clear on the MPAC report and despite that, Morin relied entirely on what the Seller told him. His conduct directly affects the trust of the Complainant and the public as they should be able to rely on the information in the MLS Listing and information put in the listing must be factually correct. Inaccurate listings could lead to very serious consequences. Morin's failures put both the Seller and the Buyer at risk and further, put out false information to the public.

The Respondent's conduct not only violates professional standards but raises trust issues from a Consumer Protection standpoint.

Morin continued to rely on the year in the MLS Listing when assisting the Buyer with the home inspection by giving that incorrect information to the Home Inspector.

Failure to comply with these obligations undermines trust in the role of registrants and the conduct of property sales in Ontario.

The Role of the Registrant in the Breaches

In considering this factor, the Panel should look at the registrant's role in relation to the breaches (i.e. central vs peripheral) and also consider whether the registrant's conduct was active/deliberate versus more negligent in nature.

In this instance, Morin's role was central as his actions and/or omissions were directly the source and cause of the breaches.

Morin held the primary responsibility to ensure that the information he was including to advertise the Property was correct and not misleading. By neglecting to verify the year built for the Property and by electing to include an unverified date on the MLS Listing, Morin bypassed the obligations that are meant for Consumer Protection.

Morin purposefully and knowingly allowed for an unverified built year for the Property to be published on the MLS Listing.

Morin not only failed in protecting the Seller from civil claims for misrepresentation but also failed the Buyer by failing and/or neglecting to take the appropriate steps to address the error with MPAC and verify the correct information.

Whether the Registrant Suffered or Gained, as a Result of the Breaches

In this factor Morin stood to gain financially from the conduct, as he was in multiple representation where he stood to earn a larger commission.

The Impact of the Breaches on the Complainant or Others

The impact on the Complainant and potential buyers was significant.

The Complainant states that had they known the Property was built in 1935 they would not have made the same offer as they did for this Property.

The Need for Specific Deterrence

Deterrence has two aspects: specific and general.

Specific deterrence requires the Panel to ensure that the penalty be sufficiently meaningful so as to inhibit the Respondent from recommitting the offence(s) in the future.

A significant penalty is essential to deter Morin from continuing this type of conduct, particularly in light of the fact that Morin was in a multiple representation situation and elected to not protect the interest of the Buyer prior to allowing the Agreement of Purchase and Sale becoming firm.

The penalty needs to illustrate to Morin that his actions fell far below the standard expected of him and such conduct must not be repeated.

The Panel notes that the Respondent has only now taken responsibility for his actions after a Hearing and findings of violations of the Code of Ethics.

The Need for General Deterrence

The principle of general deterrence requires that the penalty imposed should deter other registrants from engaging in similar conduct to Morin.

General deterrence is a particularly relevant penalty consideration in cases of professional discipline.

This is because the sanctions imposed by a Discipline Committee are published and monitored by the profession.

The penalty imposed by a Discipline Committee is a communication to the profession about:

- a) what conduct is inappropriate,
- b) the severity of different types of breaches of the Code of Ethics.

In this case, in determining the penalty to be imposed the Panel is mindful of its critical role in promoting general deterrence. Penalties cannot be considered “the cost of doing business”.

Without a substantial penalty, there is a risk that other professionals may be encouraged to take similar shortcuts, endangering and impacting clients, tenants, property owners and the public as a whole.

The Need to Maintain the Public’s Confidence

A primary consideration in imposing a penalty for unprofessional conduct is the collective reputation of the profession. That includes the legitimacy/reputation of the profession’s ability to self-regulate its members.

The public should have confidence that when they retain and engage with real estate professionals they will be treated fairly, conscientiously, and in accordance with the rules by all realtors involved in the transaction.

The public should have confidence that when a registrant breaches the ethical standards of the profession, the self-disciplinary system will appropriately address the breaches.

The violations found to have occurred in this case are specifically related to ensuring continuing public confidence in the profession.

The Degree to Which the Breaches are Outside the Range of Acceptable Conduct

This factor requires the Panel to assess where Morin’s actions fall on a sliding scale of misconduct from the least serious to most serious.

As noted at the outset, it is RECO’s position the misconduct in this case was deliberate as the error on MPAC was known to Morin prior to him making an MLS Listing for the

Property, and the Panel has agreed with RECO that this conduct falls towards the serious end of the spectrum of conduct that is outside the range of what is acceptable.

In this instance, Morin breached obligations to the members of the profession, to both of his clients and to the public.

Morin's actions in failing to confirm the year built for the Property, although he was able to identify that there was an error on the MPAC Report, shows his disregard for the profession and public, and his actions put in jeopardy Consumer Protection responsibility.

The Range of Sanction in Similar Cases

Previous decisions of the Discipline Committee are helpful as a guide to help the Panel in determining the appropriate penalty. A comparison of similar cases is important.

The Panel has reviewed and considered the cases put forward by both sides in considering the appropriate penalty in these circumstances.

The cases submitted by RECO had a range of monetary fines from \$8,000 to \$12,500 together with educational orders.

The cases submitted by Morin had penalty ranges from \$6,000 to \$9,000 together with educational requirements.

Each case falls on its own facts and none is exactly factually the same as this case, but they are all of assistance in determining penalty based on the facts in this particular case.

The Panel has considered each case presented. A number of the cases presented did not involve multiple representation and that was a factor considered by the Panel in determining the appropriate penalty in this case. Also, none of the cases presented, including a situation where the MPAC information was obviously inaccurate.

The Panel has carefully considered the facts in this case, its Findings, RECO's written Penalty Submissions and the Respondent's written Penalty Submissions.

The Panel also considered the following facts:

- The Respondent was in multiple representation as he represented the Buyer/Complainant, and also the Seller in this real estate transaction.
- The Respondent knowingly misrepresented the year when the Property was built, and that caused the Buyer/Complainant a negative financial impact as a result of the incorrect information provided by Morin.
- The comparable cases submitted by the Respondent and by RECO were resolved by way of Agreed Statement of Facts and Penalty or Agreed Statement of Facts and a Decision on penalty and did not require all the resources needed for a full Discipline Hearing.
- The Respondent, while he acknowledged his error, did not do so until after a Hearing and a Discipline Decision of this Panel. At the Hearing, he challenged the credibility of the Complainant and did not make the admissions he has now made in his Submissions on Penalty and Costs.
- The Respondent did not appreciate that his failure to fulfill his duty to the Buyer led to alleged financial harm as there was a misrepresentation when he chose to put the wrong year built on the MLS Listing and continued to confirm the same wrong year built to the Home Inspector who provided the Buyer/Client with a report that was factually incorrect.
- The Respondent was dismissive as to the misleading information that he provided to the Complainant regarding the year built of the Property, making references to the fact that the value of the property was not affected in any way

by his error, rather than reflecting on his unethical conduct when he knowingly advertised the wrong year built of the Property.

- The Respondent did not take any reasonable steps to determine material facts relating to the acquisition or disposition of the Property, although he was aware of the “red flag” on the MPAC report that displayed 5 digits for the Property year built.
- The Panel appreciates that the Respondent acknowledged in his Submissions that he fell short when failing to take reasonable steps to verify the material facts relating to the Property and now, he sees that he could have made better efforts to prevent the error.
- The Panel appreciates the Respondent stating that in the nearly 10 years that he has been a Real Estate agent he offered above-par services, and he has never received any complaints until now.

In terms of penalty, the Panel also notes that Morin has indicated that he already completed the Introduction to TRESA course.

PENALTY

The Panel is mindful that Real Estate and Business Brokers Act, 2002, (REBBA 2002) and associated regulations are designed to protect the integrity of real estate transactions in Ontario and as such weighs in on protecting the public, clients, buyers and sellers and registrants alike.

The Panel has used all the material with which it has been presented and has unanimously concluded that the following penalty is appropriate:

1. MORIN, MIKE MARCEL, trading as MORIN, MIKE is ordered to pay a fine in the amount of \$10,000.00, payable to RECO, within 180 days after the release of this Penalty Decision; and

2. MORIN, MIKE MARCEL, trading as MORIN, MIKE is ordered to successfully complete the Real Estate Institute of Canada “REIC 2600: Ethics in Business Practice” course and provide proof of completion to RECO within 180 days after the release of this Penalty Decision.

COSTS

There was no request for costs from either party. Therefore, there is no Order as to costs.

Decision Released: June 2, 2025