

**IN THE MATTER OF A DISCIPLINE PROCEEDING HELD PURSUANT TO THE  
*TRUST IN REAL ESTATE SERVICES ACT, 2022***

**BETWEEN:**

**REAL ESTATE COUNCIL OF ONTARIO**

**- AND -**

**LORRAINE CONNIE PRATA (registered as LORRAINE PRATA)**

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**DISCIPLINE DECISION AND REASONS FOR DECISION**

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Subject to Rule 4.02 of the Discipline and Appeals Committee Rules of Practice (*TRESA 2002*), I, the Chair of the Discipline Committee (*TRESA 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 1, 2(a)(b), 5(a) and 9(2) of the *TRESA 2002* Code of Ethics.

**ORDER:** Fine of \$8,000.00 payable to RECO not later than 180 days after the date of the Decision of the Discipline Committee on this matter: November 30, 2026.

Successful completion of the “*RECO 2026 Update – Professional Practice*” course and provide proof of completion to RECO not later than 90 days 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 (*TRESA 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, Lorraine Prata (“Prata”) was registered as a salesperson under the *Trust in Real Estate Services Act, 2002* (“Act”).
2. At all relevant times, Prata was employed at the brokerage Royal LePage Terrequity Realty (“Terrequity”).
3. At all relevant times, Victoria Kotsopoulos (“Kotsopoulos”) was employed at the brokerage Energy Real Estate Ltd. (“Energy R.E.”).
4. At all relevant times, Seller A and Seller B (*the “Sellers”*) owned a property located at 1 A Street (*the “Property”*) and had entered into a Seller Representation Agreement (*the “SRA”*) with Terrequity to list the property for sale. Prata was named in the SRA as the designated representative.
5. At all relevant times, Consumer A and Consumer B (*the “Complainants”*) were the buyers of the Property with Kotsopoulos as their designated representative.
6. On or around February 15, 2024, Prata uploaded a listing for the Property on the local listing service board with an asking price of \$849,000 (*the “Listing”*). Included in the Listing was information that the Property was “Apx Sqft: 2000-2500” and that the dining room, living room, and all bedrooms had hardwood flooring. Additionally, the client remarks section of the Listing stated, “Featuring hardwood floors”.
7. At all relevant times, attached to the Listing was a floor plan of three floors of the home, including the finished walk-out basement, which stated the total scanned area was 2125 square feet. The remarks on the floor plan stated: “Measurements are calculated by Business A. Deemed highly reliable but not guaranteed”.

8. On or around February 17, 2024, the Sellers and the Complainants entered into an Agreement of Purchase and Sale (*the* “**APS**”) for the Property. The terms of the APS included a purchase price of \$900,000, a \$43,000 deposit and a transaction completion date of May 2, 2024.
9. On or around April 29, 2024, the Complainants attended a second scheduled buyer walkthrough appointment at the Property with Representative A. During this appointment it came to the Complainants’ notice that the flooring in the bedrooms of the Property was not hardwood as indicated in the Listing.
10. On or around 5:17 p.m., on April 29, 2024, while still at the Property, Representative A sent a text message to Prata, inquiring about the material of the flooring in the bedrooms: “Final question, do you know what type of flooring is in the bedrooms? It says hardwood on the listing, but I believe it is laminate”. Prata responded: “Bedrooms are laminated main floors are hardwood”.
11. On or around May 2, 2024, the transaction completed successfully.
12. On or around November 15, 2024, the Complainants received a Property Assessment Notice from the Municipal Property Assessment Corporation which confirmed that the square footage of the Property was 1,510 square feet.
13. Prata received \$20,250 in commission upon completion of the transaction.

### **SUMMARY OF AGREEMENTS**

**It is agreed that Prata failed to comply with the Code of Ethics (O. Reg. 365/22) as follows:**

- A. Prata included inaccurate information in a listing that the flooring in the Property, including the bedrooms, was hardwood when she knew or ought to have known, it was laminate, contrary to sections 1, 2, 5(a) and 9(2) of the Code of Ethics.
- B. Prata included inaccurate information in a listing that the square footage for the Property was 2000-2500 square feet when it was 1,510, contrary to sections 1, 2, 5(a) and 9(2) of the Code of Ethics.

**It is agreed that Prata failed to comply with the following sections of the Code of Ethics (O. Reg. 365/22):**

Integrity, honesty, good faith, etc.

1. In carrying on business, a registrant shall act with courtesy, honesty, good faith and integrity in relation to every person the registrant deals with.

Unprofessional conduct, etc.

2. A registrant shall not engage in any act or omission that, having regard to all of the circumstances, would reasonably be regarded as,

- (a) being disgraceful, dishonourable, unprofessional or unbecoming a registrant; or
- (b) likely to bring the sector into disrepute or to undermine public confidence the regulation of registrants under the Act.

Misrepresentation, etc.

5. In carrying on business, a registrant,

- (a) shall make best efforts to ensure that any representations are accurate and are not misleading; and

Conscientious and competent service, etc.

9. (2) Subject to section 10, in carrying on business, a registrant shall demonstrate reasonable knowledge, skill, judgment and competence in providing opinions, advice, assistance or information to any person.

**AGREED PENALTY**

**The Respondent understands and agrees to the following penalty:**

To pay a fine of **\$8,000.00** not later than **180** days after the date of the Decision of the Discipline Committee on this matter.

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

<b>Course Title (Provider)</b>	<b>Completion date</b>
RECO 2026 Update - Professional Practice	Not later than <b>90</b> days 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 acknowledgements:**

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 Parties duly signed the Agreed Statement.]***

**DECISION OF THE CHAIR**

Having reviewed and considered the Agreed Statement of Facts, the Chair of the Discipline Committee (*TRESA 2002*) concluded that the Respondent breached Sections 1, 2(a)(b), 5(a) and 9(2) of the *TRESA 2002* Code of Ethics.

The Chair of the Discipline Committee (*TRESA 2002*) is also in agreement with the joint submission of the Parties as to penalty and accordingly makes the following order:

1. PRATA, Lorraine Connie (registered as PRATA, Lorraine) is ordered to pay a fine in the amount of \$8,000.00, payable to RECO, not later than 180 days after the date of the Decision of the Discipline Committee on this matter.
2. PRATA, Lorraine Connie (registered as PRATA, Lorraine) is ordered to successfully complete the “*RECO 2026 Update – Professional Practice*” course not later than 90 days 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.

*Released: June 1, 2026*