
**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 -

SARA ASHJA ARDALAN

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, 21(1), 37(1) and 38 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of \$7,000.00 payable to RECO not later than eight (8) months after the date of the Decision of the Discipline Committee in this matter: March 17, 2027

Successful completion of “*Introduction to TRESA*” course not later than 120 days after the date of the Decision of the Discipline Committee in this matter, and to provide proof of completion to RECO within 60 days of its completion.

WRITTEN REASONS: *attached*

A handwritten signature in black ink, appearing to read 'Lucy Aita', with a stylized flourish at the end.

Lucy Aita
Chair, Discipline Committee (*REBBA 2002*)

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, Ardalan was employed at the brokerage Signature Realty Inc., (the “Seller’s Brokerage”).
2. At all relevant times, Seyran Sofizadeh (the “Seller”) was the seller of the subject property located at 20 McCleave Crescent in Brampton, Ontario (the “Property”).
3. At all relevant times, Muhammad Shahid Iqbal and Bushra Khatmi (the “Buyers”) were the buyers of the Property.
4. On or about November 4, 2022, the Seller entered into a representation agreement with the Seller’s Brokerage for the sale of the Property, with Ardalan as the primary representative.
5. On or about November 5, 2022, Ardalan created the listing for the Property and indicated that the Property was occupied by a tenant. Ardalan stated the following in the listing:

“Finished Basement with Sep Entrance, Already Has A Reliable Tenant With \$1200 Monthly Payment (As Bonus To Pay Off Ur [sic] Mortgage). They Have The Option To Stay There Or Not.”

“Seller Does Not Warrant Retrofit Status Of Basement.”
6. On or about November 20, 2022, the Seller accepted an offer from the Buyers to sell the Property. The completion date was agreed upon for January 31, 2023.
7. On or about January 31, 2023, the transaction was completed as scheduled.
8. On or about February 15, 2023, a letter was sent from the City of Brampton – Legislative Services, Enforcement and By-law Services to the Buyers concerning an unregistered or illegal second dwelling unit at the Property. The letter stated that a second unit at the Property was not legal unless it was registered with the City and any corresponding work has been approved and inspected. The letter also indicated that the Buyers were required to contact a

Property Standards Officer to arrange for an inspection to confirm compliance with the City of Brampton's By-laws.

9. Ardalan did not take reasonable steps to verify the permitted use of the basement unit at the Property before listing the Property for sale and proceeding to complete the transaction.
10. In Ardalan's response to RECO, Ashja Ardalan stated that as set out in the listing, the Seller explicitly stated that they did not warrant or take responsibility for retrofitting or legalizing the basement.

SUMMARY OF AGREEMENTS

It is agreed that Ardalan failed to comply with the Code of Ethics, O. Reg. 580/05, as follows:

- A. Ardalan failed to take reasonable steps to determine the permitted use of the basement unit in the client seller's property, contrary to sections 4, 5 and 21(1) of the Code of Ethics.
- B. Ardalan advertised an illegal use for a property with respect to a buyer being able to earn additional income from an illegal basement, contrary to sections 4, 5, 37(1) and 38 of the Code of Ethics.

It is agreed that Ardalan failed to comply with the following sections of the Code of Ethics, O. Reg. 580/05:

Best interests

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

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.

Material facts

- 21(1) A broker or salesperson who has a client in respect of the acquisition or disposition of a particular interest in real estate shall take reasonable steps to determine the material facts relating to the acquisition or disposition and, at the earliest practicable opportunity, shall disclose the material facts to the client.

Inaccurate representations

- 37(1) A registrant shall not knowingly make an inaccurate representation in respect of a trade in real estate.

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, Sara Ashja Ardalan, understands and agrees to the following penalty:

To pay a fine of **\$7,000.00** within the following deadlines:

- \$2,000.00 not later than **30 days** after the date of the Decision of the Discipline Committee in this matter; and
- \$5,000.00 not later than **eight (8) months** after the date of the Decision of the Discipline Committee in this matter.

To successfully complete the "*Introduction to TRESA*" course not later than **120 days** after the date of the Decision of the Discipline Committee in this matter and provide proof of completion to RECO within **60 days** of its completion.

Respondent acknowledgements:

1. I, Sara Ashja Ardalan, acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions.
2. I, Sara Ashja Ardalan, acknowledge my right to seek legal counsel in this matter before signing this agreement.
3. I, Sara Ashja Ardalan, 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, 21(1), 37(1) 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. ASHJA ARDALAN, Sara is ordered to pay a fine in the amount of \$7,000.00, payable to RECO, within the following deadlines:
 - \$2,000.00 not later than 30 days after the date of the Decision of the Discipline Committee in this matter; and
 - \$5,000.00 not later than eight (8) months after the date of the Decision of the Discipline Committee in this matter.
2. ASHJA ARDALAN, Sara is ordered to successfully complete the “*Introduction to TRESA*” course not later than 120 days after the date of the Decision of the Discipline Committee in this matter, and to provide proof of completion to RECO within 60 days of its completion.

Released: July 17, 2026