



**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 -

LOUISE DIANNE AMES

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 5 and 38 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of \$ 6,000.00 payable to RECO not later than 6 months after the date of the Decision of the Discipline Committee on this matter.

Successful completion of the Real Estate Institute of Canada (REIC) "REIC 2280: Legal Issues in Real Estate" course, not later than 6 months after the date of the Decision of the Discipline Committee on this matter and to provide RECO with confirmation of successful completion within 60 days of completion of the course.

WRITTEN REASONS:

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, Louise Ames ("Ames") was employed as a broker under the *Real Estate and Business Brokers Act, 2002* ("Act").
2. At all relevant times, Ames was employed at the Brokerage A.
3. At all relevant times, Individual A (the "Seller") was the owner of a property located at 1-A Street, #A in the Township A, Ontario (the "Property").
4. At all relevant times, Buyer A and Buyer B (the "Buyers") were the purchasers of the Property.
5. At all relevant times, Representative A ("Buyers' Representative") was employed at the Brokerage B and represented the Buyers in the subject transaction.
6. On or about April 22, 2022, the Seller entered into a Listing Agreement with Brokerage A, with Ames as the listing representative. The agreement commenced on April 25, 2022, until November 1, 2022. The Property was set to be listed for sale at the price of \$698,000.00.
7. On or about April 25, 2022, the Property was listed on the Multiple Listing Service ("MLS Listing") by Ames. The MLS Listing indicated that the Property had a road maintenance fee of \$500.00 per year.
8. On or about May 12, 2022, the Buyers' Representative submitted an offer on the Property on behalf of the Buyers for \$740,000.00 with a \$20,000.00 deposit (the "Offer"). Four other competing offers were received for the Property.
9. The Agreement of Purchase and Sale ("APS") included any rental items that were rented and not included in the Purchase Price. Specifically, the APS stated, "The Buyer agrees to assume the rental contracts(s), if assumable: ... Road maintenance fee= \$500 per year".
10. The APS included a provision for a title search, whereby the Buyers were allowed until July 1, 2022, to examine the title to the Property to the Buyers satisfaction.

11. The Offer was accepted by the Seller on or about May 12, 2022. The completion date was July 12, 2022.
12. On or about May 13, 2022, the Buyers forwarded the \$20,000.00 deposit to Brokerage A.
13. On or about June 21, 2022, the Buyers were contacted by their lawyer following a title search on the Property. The Buyers' lawyer alleged that there was no legal road access to the Property other than by a private road.
14. The Buyers allege that the lack of legal road access impacted their ability to obtain an acceptable mortgage and insurance on the Property.
15. On or about June 22, 2022, the Buyers' lawyer contacted the Seller's lawyer to advise that the Buyers would not be completing the transaction due to the non-disclosure of the lack of legal road access found in the title search.
16. The transaction failed to close on July 12, 2022.

SUMMARY OF AGREEMENTS

It is agreed that Ames failed to comply with the Code of Ethics (0. Reg. 580/05) as follows:

- A.** Ames failed to take reasonable steps to verify and provide the full details of the road maintenance fee conveyed in the advertisement on the MLS Listing, and therefore advertised incomplete and misleading information, contrary to sections 5 and 38 of the Code.

It is agreed that Ames failed to comply with the following sections of the Code of Ethics (0. Reg. 580/05):

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.

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 of **\$6,000.00** not later than 6 months 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:

Course Title (Provider)	Completion date
REIC Legal Issues 2280	Not later than 6 months after the date of the Decision of the Discipline Committee on this matter.

To provide proof of completion to REGO 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 5 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. LOUISE DIANNE AMES is Ordered a Fine of \$6,000.00 payable to RECO, not later than 6 months after the date of the Decision of the Discipline Committee on this matter.
2. LOUISE DIANNE AMES is Ordered to successfully complete the Real Estate Institute of Canada (REIC) “REIC 2280: Legal Issues in Real Estate” course and to provide proof of completion to RECO within 60 days of completion of the course.

[Released: April 5, 2024]