
**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 -

**PAUL ALLEN ANTHONY LISANTI
(registered as PAUL LISANTI)**

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

ORDER: Fine of \$ 20,000.00 payable to RECO on or before September 30, 2022.

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, Lisanti was employed by Brokerage A.

1ST SALE

2. On March 5, 2019, Buyer A (“1st Buyer”) agreed to purchase the residential Property located at 1 A Street, City A (“Property”) for \$535,000 (“1st Agreement”). Lisanti represented the 1st Buyer in the transaction.
3. Unable to independently secure the necessary financing to purchase the Property, and on March 29, 2019, the 1st Buyer entered a ‘Agreement Between Co-owners’ with Buyer B (“Complainant”) wherein the Complainant was going to own 10% of the Property.
4. In turn, and on April 2, 2019, Lisanti emailed the Complainant an amendment to the 1st Agreement adding the Complainant to the 1st Agreement as a co-purchaser of the Property (“Amendment”).
5. On June 17, 2019, title to the Property was transferred to the 1st Buyer and the Complainant.

2ND SALE

6. The 1st Buyer later presented Lisanti with a copy of an unsigned ‘Property Settlement Agreement’, wherein the Complainant was said to have transferred his 10% of the Property to 1st Buyer.
7. In turn, and on April 13, 2020, the 1st Buyer and the Complainant purportedly entered into a listing agreement with Brokerage B, listing the Property for sale (“Listing Agreement”). Lisanti represented Brokerage B.
8. The Complainant, however, never signed the Property Settlement Agreement and still held title to the Property.
9. The Complainant had no knowledge that the Property was being listed for sale and the 1st Buyer did not have a valid Power of Attorney.
10. On or about May 15, 2020, an agreement was entered wherein the 1st Buyer and Complainant purportedly agreed to sell the Property (“2nd Agreement”) for \$580,000.
11. The Complainant was not a party to the 2nd Agreement and had no knowledge of the 2nd Agreement. The Complainant had not granted a valid Power of Attorney to the 1st Buyer.

SUMMARY OF AGREEMENTS

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

- A. In light of the Agreement Between Co-owners, unsigned Property Settlement Agreement, and the fact that the Complainant was still on title to the Property, Lisanti failed to take reasonable steps to determine whether the Complainant’s consent was needed to list the

Property for sale, contrary to sections 4, 5, and 38 of the Code of Ethics.

- B. Lisanti listed the Property for sale in a situation when he reasonably ought to have known that the 1st Buyer did not have a valid Power of Attorney, contrary to sections 4, 5, and 38 of the Code of Ethics.
- C. In light of the Agreement Between Co-owners, unsigned Property Settlement Agreement, and the fact that the Complainant was still on title to the Property, Lisanti failed to take reasonable steps to determine whether the Complainant's consent was needed to execute the 2nd Agreement, contrary to sections 4, 5, and 38 of the Code of Ethics.

It is agreed that Lisanti 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 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.

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

PAUL ALLEN ANTHONY LISANTI (registered as PAUL LISANTI), the Respondent, be ordered to pay a penalty of \$20,000 on or before September 30, 2022.

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 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. PAUL ALLEN ANTHONY LISANTI (registered as PAUL LISANTI) is Ordered a Fine of \$20,000 payable to RECO on or before September 30, 2022.

[Released: March 17, 2022]