

# Case Summaries Feb 7 - March 7, 2011

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## Letters of Reprimand

- Failure to trade in real estate only in the name that appears on that individual's license and in the name of the brokerage with which that individual is registered [s.53(a) of the *Real Estate Act* Rules]
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## Administrative Penalties

**Michael Holmes, real estate broker, Larlyn Property Management Limited**

**And**

**Larlyn Property Management Limited**

- Failure to fulfill fiduciary obligations to client [s.41(d) of the *Real Estate Act* Rules]
- Failure to obey all lawful instructions of the seller [s.57(d) of the *Real Estate Act* Rules]
- L.M and R.P. were involved in a shared vacancy program agreement (a rental pool) which was managed by Larlyn Management Limited ("Larlyn").
- Larlyn also held in trust residential tenancy security deposits in relations to premises owned by L.M. and R.P.
- L.M. decided to leave the rental pool and gave notice. At the time of termination (September 1, 2008), L.M. asked Larlyn to return the residential tenancy security deposit to the tenant.
- After termination, the deposit was not returned to the tenant until November 7, 2008.
- R.P. decided to exit the rental pool and requested the security deposit and any accrued interest (June 23, 2009). The termination was processed in Larlyn's system on August 18, 2009.
- After several contacts with Larlyn, the security deposit was returned to R.P. on January 13, 2010
- \$2,000

**Karen Basnett, real estate associate**

**Realty Executives Renaissance**

- Failure to notify the Executive Director immediately when proceedings pursuant to the Criminal code are commenced against the industry member [s.40(1)(g) of the *Real Estate Act* Rules]
- Ms Basnett was charged with criminal offences of the Criminal Code on January 21,

2010 and failed to notify the Executive Director.

- \$1,000

#### **1149997 Alberta Ltd. o/a Oil Sands Realty**

- The brokerage failed to submit to the Real Estate Council of Alberta the required accounting documents not later than three months after the end of the brokerage's fiscal year. [s.91 (4) of the *Real Estate Act Rules*]
- \$1,500

#### **1116346 Alberta Ltd. o/a Winston Realty**

- The brokerage failed to submit to the Real Estate Council of Alberta the required accounting documents not later than three months after the end of the brokerage's fiscal year. [s.92 (1) of the *Real Estate Act Rules*]
- \$1,500

#### **Tom Burk Real Estate Inc. o/a Montana Properties**

- The brokerage failed to submit to the Real Estate Council of Alberta the required accounting documents not later than three months after the end of the brokerage's fiscal year. [s.92 (1) of the *Real Estate Act Rules*]
- \$1,500

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## **Suspensions**

### **Donald Gray & DMG Asset Management**

On February 14, 2011, pursuant to Section 38.1(3)(e) of the *Real Estate Act Rules*, the Executive Director of the Real Estate Council of Alberta suspended the authorization of Donald Mike Gray, real estate broker registered with DMG Asset Management and Realty Ltd., and the authorization of DMG Asset Management and Realty Ltd. The authorization suspensions resulted from the failure of Donald Gray and DMG Asset Management and Realty Ltd. to comply with annual audit report requirements.

### **Michael Herrick**

On February 23, 2011, pursuant to Section 38.1(1)(a) of the *Real Estate Act Rules*, the Executive Director of the Real Estate Council of Alberta suspended the licence of Michael Herrick, real estate associate registered with W.J.C. Management Ltd. o/a Re/Max Results of Westlock. The licence suspension resulted from Michael Herrick's failure to comply with a condition attached to his license.

### **Michelle Derk**

On March 1, 2011, pursuant to Section 38.1(1)(a) of the *Real Estate Act* Rules, the Executive Director of the Real Estate Council of Alberta suspended the licence of Michelle Derk, real estate associate registered with Elite Ownership Group Ltd. o/a Re/max Elite. The licence suspension resulted from Michelle Derk's failure to comply with a condition attached to her license.

As a result of these suspensions, Michelle Derk, Michael Herrick, Donald Mike Gray and DMG Asset Management and Realty Ltd. may not trade in real estate in Alberta until their suspension has been lifted.

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## **Council Members 2010-2011**

### **BILL BUTERMAN**

Appointed from non-AREA industry members

### **KEVIN CLARK**

Appointed from residential real estate industry members

### **CINDY DUBRAY**

Appointed from the property management sector

### **GORDON GRAYDON**

Appointed from the public

### **CONNIE LECLAIR**

Appointed from the public

### **WAYNE MCALISTER, CHAIR-ELECT**

Appointed from the Calgary Real Estate Board

### **KEN MCCOY**

Appointed from the Edmonton Real Estate Board

### **WENDY ROBSON**

Appointed from boards outside of Calgary and Edmonton

### **RALPH SALOMONS, PAST CHAIR**

Appointed from commercial real estate sector

**CHERYL SCHINDEL**

**Appointed from boards outside of Calgary and Edmonton**

**GARY SIEGLE**

**Appointed from the mortgage brokerage sector**

**ROBERT TELFORD, CHAIR**

**Appointed from the real estate appraisal sector**

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## **Contact RECA**

Case Summaries is published by the Real Estate Council of Alberta. Please forward your comments and suggestions to [communications@reca.ca](mailto:communications@reca.ca).

Executive Director - Bob Myroniuk

Director of Audit and Investigations - Joseph Fernandez

Director of Corporate Services – Dale Cawsey

Director of Education – Kirk Bacon

Director of Industry Standards – Charles Stevenson

Director of Legal Services - Jean Flanagan