

**REAL ESTATE COUNCIL OF ALBERTA**  
**NOTICE OF ADMINISTRATIVE PENALTY**

**To: Hearthstone Property Management Inc.**  
**#211, 4801 51 Avenue**  
**Red Deer, Alberta T4N 4H2**

In accordance with s. 39 and s. 83 and the Bylaws of the *Real Estate Act*, R.S.A. 2000 c. R-5 (the "**Act**"), the Executive Director of the Real Estate Council of Alberta has determined that there is sufficient evidence of conduct deserving of sanction in regard to Property Management Inc. (hereinafter "**Hearthstone**"), a real estate brokerage, to assess an Administrative Penalty. The evidence giving rise to the Executive Director's decision is as follows:

On or about August 17, 2008, the licence fees for the brokerage were paid. The licence for the brokerage was not renewed at that time. On or about October 1, 2008, Hearthstone failed to renew its authorization as a real estate brokerage. Hearthstone became authorized to trade in real estate as a real estate brokerage on October 15, 2008. When requested by the Real Estate Council of Alberta for a copy of the application form from August 2008, D.B., broker with Hearthstone, stated that she believed the form was shredded in error along with several other important business files. The Act requires that these records should have been retained for three years after they came into existence.

The Executive Director is of the opinion that the above noted conduct is in violation of section 25(9)(a) which sets out that:

- 25(9) An industry member shall, in accordance with the rules, keep in Alberta records and books of account of the industry member's dealings and trades and accounting records, and shall keep those records and books of account
- (a) for a period of 3 years after they came into existence,

In accordance with s. 39 and s. 83 of the Act and Part 4 of the Act's Bylaws, an Administrative Penalty in the amount of **\$1,500.00** has been assessed against you for this contravention.

Payment of this Administrative Penalty shall be accepted by the Executive Director as complete satisfaction of the amount of the penalty and no further proceedings under Part 6 of the Act will be taken against you in respect of the

contravention. A person who pays an Administrative Penalty may not be charged under the Act with an offense in respect of those contraventions.

This sum of **\$1,500.00** is payable to the Real Estate Council of Alberta within thirty (30) days of the date of issuance of this Notice of Administrative Penalty. If you fail to pay the amount set out in this Notice, the Executive Director may commence legal action against you to recover the amount owing in respect of the Administrative Penalty as a debt due to the Real Estate Council of Alberta.

If you dispute this Notice of Administrative Penalty in accordance with s. 83.1 of the Act, you may appeal it to a Hearing Panel. You will be given a full opportunity consistent with procedural fairness and natural justice to present evidence before the Hearing Panel and make representations in relation to the contravention.

If you have any questions in regard to this Notice of Administrative Penalty, please contact Victoria Woodworth-Lynas, Case Presenter, at the Real Estate Council of Alberta.

DATED this 5<sup>th</sup> day of July, 2010.

**REAL ESTATE COUNCIL OF ALBERTA**

Per:

*Bob Myroniuk*  
Executive Director