

April 3, 2018

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May 7, 2018

# Case Summaries

Letter of Reprimand

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Lifetime Withdrawal



# Case Summaries

Welcome to the Case Summaries monthly magazine - available on the first Monday of every month.

Inside you will find the summaries for all disciplinary decisions occurring at the Real Estate Council of Alberta (RECA) since the previous newsletter, including any suspensions and approved lifetime withdrawals from the industry.

RECA is authorized to carry out conduct proceedings under [Part 3](#) of the *Real Estate Act*.

To review RECA's Publication Guidelines, click [here](#).

For more information about the cases summarized in this publication, please click on the underlined blue heading at the start of each summary.

## Letter of Reprimand

### Tamara Stearns,

Real estate associate registered to BGB Realty Inc. O/A Re/Max Realty Professionals

- failed to provide competent service [s.41(b) of the *Real Estate Act Rules*]
- to facilitate a transaction, Ms. Stearns created an Exclusive Seller Representation Agreement Amendment that reduced her commissions
- Ms. Stearns provided an effective date for the amendment, but no end date
- the reduced commission was for a specific transaction that did not close
- Ms. Stearns client received another offer, which successfully closed
- Ms. Stearns charged the sellers the full original commissions
- when drafting the amendment, Ms. Stearns failed to make clear that the reduced commission was for the one transaction only. This was a failure to provide competent service

Industry professionals must provide competent service. In this case, the industry professional failed to clearly explain the drafted amendment to reduce the associate's commission for a transaction. It is an industry professional's duty to ensure all paperwork is completed accurately, and is fully understood by your client.

## Administrative Penalties

### Udayarajan Subbaiya Vasu,

Mortgage associate registered to Verico Paragon Mortgage Inc. O/A Verico iMortgage Solutions

- failed to comply with the Education Code of Conduct for Learners (s.41(k) of the *Real Estate Act*)
- Mr. Vasu brought prohibited devices into the exam centre
- Mr. Vasu performed Google searches during his examination
- \$3,000

Industry professionals must comply with the Education Code of Conduct for Learners. In this case, the associate failed to comply with principles 2 and 4 of the Education Code of Conduct. Principle 2 states that learners will at all times conduct themselves with honesty, integrity and respectfulness. The associate failed to comply with this when they opened up a Google search on their screen to search words and phrases while writing an examination. Principle 4 states that learners must support RECA's education requirements and will conduct themselves in a manner that does not undermine the integrity, efficacy, and efficiency of any aspect of RECA's education. The associate failed to comply with this principle when they brought in a calculator, which is a prohibited device. It is learner's responsibilities to follow the Education Code of Conduct and comply with all of the exam guidelines.

# Administrative Penalties

## Dylan Alan Gallagher,

Not authorized

- dealt in mortgages as a mortgage associate without authorization [s.17(b) of the *Real Estate Act*]
- Mr. Gallagher solicited a private lender indicating he had a client seeking a mortgage. These activities require authorization as a mortgage broker/associate
- Mr. Gallagher was not authorized as a mortgage professional
- Mr. Gallagher is the director of Bridge Capital (Alberta) Inc.
- Bridge Capital (Alberta) Inc. advertises itself as an independent mortgage brokerage
- on April 18, 2018 RECA sent an email to Mr. Gallagher giving him the opportunity to adjust his business model to comply with legislation
- Mr. Gallagher has not adjusted his business model
- \$5,000

Unlicensed persons who provide services that require a licence put consumers at serious risk. Consumers working with unlicensed persons do not receive protection under the Real Estate Assurance Fund.

## Roy Barron - Lifetime Withdrawal from Industry

On April 11, 2018, Roy Barron, previously a real estate broker in Calgary, applied to permanently withdraw from industry membership.

At the time of his application, Mr. Barron was the subject of conduct proceedings under the *Real Estate Act*. The allegations involve property management, and include contraventions of the *Real Estate Act* and Rules. At the time of Mr. Barron's withdrawal from industry, there had been no disciplinary hearing, admissions, or findings of fact under the *Real Estate Act* or Rules.

The Real Estate Council of Alberta approved Mr. Barron's application to withdraw, and this results in a voluntary lifetime prohibition from industry membership; conduct proceedings are now discontinued.

## **2017-2018 Council Members**

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### **KRISTA BOLTON**

Appointed from the public

### **BONNY CLARKE, CHAIR-ELECT**

Appointed from non-AREA industry members

### **BOBBI DAWSON**

Appointed from the boards outside of Calgary and Edmonton

### **AMINA DEIAB**

Appointed from the public

### **RAMEY DEMIAN**

Appointed from the industrial, commercial and investment real estate sector

### **BILL KIRK**

Appointed from the Calgary Real Estate Board

### **BRIAN KLINGSPON, CHAIR**

Appointed from the REALTORS® Association of Edmonton

### **PHIL MCDOWELL**

Appointed from the mortgage brokerage sector

### **STAN MILLS**

Appointed from the boards outside of Calgary and Edmonton

### **ROBYN MOSER**

Appointed from residential real estate industry members

### **ROBERT TELFORD**

Appointed from the real estate appraisal sector

### **CHRISTINE ZWOZDESKY, PAST-CHAIR**

Appointed from the property management sector

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### **CONTACT RECA**

Case Summaries are published by the Real Estate Council of Alberta.

Please forward any questions regarding the content of Case Summaries, or any questions regarding licensing or mandatory education, to [info@reca.ca](mailto:info@reca.ca)



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