

July 15, 2019  

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August 12, 2019

# Case Summaries



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# Case Summaries

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Welcome to the Case Summaries monthly magazine.

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*.

Questions about disciplinary information RECA publishes and why? Review [RECA's Publication Guidelines](#) online.

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

# Letters of Reprimand

## Click on names to view the full decision

### [Angela Ford](#),

Real estate associate registered with Baughan Realty Ltd. O/A Re/Max Baughan Realty

- industry members must not engage in conduct that undermines public confidence in the industry, harms the integrity of the industry, or brings the industry into disrepute [s.42(g) of the *Real Estate Act* Rules]
- on February 13, 2019, Ms. Ford sent a text to another associate's former client with inappropriate comments regarding that associate
- Ms. Ford also made inappropriate comments in person about this associate

Industry professionals must treat all consumers and industry professionals with civility, respect, and professional courtesy at all times, and must always maintain their composure and communicate in a professional manner.

### [Eric Russell Smith](#),

Real estate broker registered with Boswell Krieger Management & Realty Ltd.

- a brokerage must immediately notify the executive director in writing a change in the directors, officers, or shareholders of a corporation if the brokerage is a corporation [s. 32(g) of the *Real Estate Act* Rules]
- Mr. Smith was the broker of Boswell Krieger Management & Realty Ltd. at the time
- on January 21, 2019, Boswell Krieger Management & Realty Ltd. had a change to their corporate board of directors
- RECA was notified on March 11, 2019

Section 32 of the *Real Estate Act* Rules requires brokerages to immediately notify the executive director, in writing, when certain events occur. RECA defines immediately as "without delay," and in the absence of extraordinary circumstances, written notification to the executive director should occur not more than five days after the event in question. In this case, the brokerage waited several months to notify RECA.

# Letters of Reprimand

## [Danny Welyk](#),

Real estate associate registered Real Estate Professionals Inc.

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]

## [Kacie Rae Phillips](#),

Real estate associate registered with Twin Oakes Real Estate 1993 Inc.

O/A Re/Max House of Real Estate

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]

## [Max Fernandez](#),

Real estate associate registered with Twin Oakes Real Estate 1993 Inc.

O/A Re/Max House of Real Estate

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]

## [Margo Jaggard](#),

Real estate associate registered with Real Estate Professionals Inc.

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]

## [Tim McRae](#),

Real estate associate registered with Maxwell Real Estate Solutions Ltd.

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]

## [Mark Franklin](#),

Real estate associate registered with The Real Estate Company Ltd.

O/A The Real Estate Company

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]

# Letters of Reprimand

## [Gordon Lackey](#),

Real estate associate registered with Mountain View Real Estate Inc.  
O/A Re/Max Real Estate (Mountain View)

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]

## [Hardyal \(Happy\) Mann](#),

Real estate associate registered with Urban Real Estate Services Ltd.  
O/A Urban-Realty.ca

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]

## [Caren Kelley](#),

Real estate associate registered with Twin Oakes Real Estate 1993 Inc.  
O/A Re/Max House of Real Estate

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]

Industry members must immediately notify, in writing, the executive director when certain events occur. In these cases, the industry professionals had situations requiring notification occur several months before they notified the executive director. Immediately is defined as “without delay,” and in the absence of extraordinary circumstances, written notification to the executive director should occur not more than five days after the event in question.

# Administrative Penalties

## [Kevin Lapp,](#)

Real estate associate previously registered with 1020890 Alberta Ltd.

O/A Royal LePage Lifestyles Realty. Currently registered with Lapp Realty Ltd. O/A Lapp Realty

- a real estate associate broker and associate must trade in real estate only in the name that appears on that individual's licence and in the name of the brokerage with which that individual is registered [s.53(a) of the *Real Estate Act Rules*]
- in June 2016, Mr. Lapp had advertisements that did not display the name of his brokerage, RECA brought this to Mr. Lapp's attention and the issues were corrected
- in November 2016, Mr. Lapp had advertisements that did not display the name of his brokerage, RECA brought this to Mr. Lapp's broker and the issues were corrected
- in January 2019, Mr. Lapp failed to include the name and contact information of his registered brokerage on a website advertising his services
- \$1,500

Industry professionals must ensure their advertising clearly displays the name appearing on their licence and the brokerage they are registered with. The public must be able to identify an industry professional's name and brokerage, so the public can verify they are dealing with a licensed associate. If an industry professional is unsure about whether or not their advertising is compliant with the legislation, they should seek direction from their broker.

## [Piew Soe Saw,](#)

Real estate associate registered with Grand Realty & Management Ltd. O/A Grand Realty

- failure to immediately notify, in writing, the executive director [s.40 of the *Real Estate Act Rules*]
- \$1,000

Industry members must immediately notify, in writing, the executive director when certain events occur. In this case, the industry professional had a situation requiring notification occur months before they notified the executive director. Immediately is defined as "without delay," and in the absence of extraordinary circumstances, written notification to the executive director should occur not more than five days after the event in question.

# Administrative Penalties

## [Priya Mishra,](#)

Real estate broker registered with AM PM Properties Inc.

- a brokerage must file its accounting with the Council no later than 3 months after the end of their fiscal year [s. 91(4) of the *Real Estate Act Rules*]
- the fiscal year for AM PM Properties Inc. was December 31, 2018
- RECA sent numerous email reminders to file the appropriate forms by April 1, 2019
- Ms. Mishra filed the fiscal year end on May 3, 2019
- \$1,500

## [Warren Phipps,](#)

Real estate broker registered with Mountain Park Real Estate Ltd.

- a brokerage must file its accounting with the Council no later than 3 months after the end of their fiscal year [s. 91(4) of the *Real Estate Act Rules*]
- the fiscal year for Mountain Park Real Estate Ltd. was December 31, 2018
- RECA sent numerous email reminders to file the appropriate forms by April 1, 2019
- Mr. Phipps filed the fiscal year end on May 17, 2019
- \$1,500

A brokerage must file its accounting with Council no later than three months after the end of the brokerage's fiscal year. In these cases, the brokers filed their forms after the deadline despite RECA sending numerous email reminders.

# Administrative Penalties

## Audrey Davis

Real estate associate registered with Larlyn Property Management Limited.

- an industry member must provide competent service [*Real Estate Act* Rules s.41(b)]
- Ms. Davis registered with Larlyn Property Management Limited in 2012
- Ms. Davis acted as property manager for Wildwood Estates Condominium Ltd. from April 2012 to September 2014
- during the time that Ms. Davis was a property manager she failed to review condo fee collections adequately and so improper collections were made
- these were discovered after a new property manager started acting for Wildwood in 2014
- Ms. Davis also allowed repair work to be completed in excess of the authorization she was given by Wildwood for the repair job
- Ms. Davis was authorized to spend \$7334.58 but allowed work that invoiced at \$24,542.98
- \$1,500

Industry professionals must provide competent service. Consumers trust that industry professionals will handle all affairs related to the collection and disbursement of trust funds with reasonable care and skill. In this case, Ms. Davis failed to review the fee collection adequately to detect and correct errors and failed to update the client on repair costs and get proper authorization for work done.



# Suspensions

## [Paul Seib -Real Estate Licence Suspended](#)

On July 15, 2019, the Real Estate Council of Alberta (RECA) suspended the real estate licence of Paul Seib. RECA suspended Mr. Seib for refusing to cooperate with a person conducting an investigation.

As a result of this suspension, Mr. Seib may not trade in real estate in Alberta. His suspension will continue until the executive director is satisfied he has cooperated with the investigation. Mr. Seib was most recently a real estate broker for Dione Irwin Real Estate Inc. O/A Royal LePage Innovate.

# Suspensions

## [Marcus & Millichap Real Estate Investment Services Canada Inc.](#) [- Brokerage Licence Suspended](#)

**NOTE: Marcus & Millichap Real Estate Investment Services Canada Inc.'s suspension ended on July 23, 2019, as they have fulfilled all the requirements to reinstate their licence.**

On July 22, 2019, the Real Estate Council of Alberta (RECA) suspended the licence of Marcus & Millichap Real Estate Investment Services Canada Inc.

Under Section 35(2)(b) of the *Real Estate Act* Rules, the executive director may suspend the licence of a brokerage if RECA receives information that indicates the individual who is registered as the broker has resigned or ceased to be the broker.

As a result of the brokerage licence suspension, the registrations of any industry professionals who were registered with this brokerage are cancelled and service agreements with this brokerage end. To read more about what to do if your brokerage shuts down, or if a brokerage you are dealing with shuts down, please see the Information Bulletin: When your real estate brokerage closes.

All active trades in real estate involving this brokerage are affected. Brokerages or consumers who have pending purchases or sales with deposits being held in trust with this brokerage should consider amending their purchase contract to transfer their trust deposit to a different brokerage or lawyer.

# Lifetime Withdrawals

## Robert Mraz: Lifetime Withdrawal from Industry

On July 17, 2019, Robert Mraz, previously a mortgage associate in Lethbridge, applied to permanently withdraw from industry membership.

At the time of his application, Mr. Mraz was the subject of an investigation under the *Real Estate Act*. The issues under investigation were whether Mr. Mraz:

- acted in conflict of interest
- adequately carried out his responsibilities as a delegate broker including ensuring there was a written service agreement and a written disclosure of the steps taken to verify financial assets
- attempted to delegate supervision duties without authority and without communication
- made representations to a lender that were reckless and likely to mislead the lender without verifying the information

At the time of Mr. Mraz's withdrawal from industry, the investigation was not complete and there had been no disciplinary hearing, admissions, or findings of fact.

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

# Lifetime Withdrawals

## [Bruce Dean Mullett: Lifetime Withdrawal from Industry](#)

On July 17, 2019, Bruce Dean Mullett, previously a real estate associate broker in Spruce Grove, applied to permanently withdraw from industry membership.

At the time of his application, Mr. Mullett was the subject of an investigation under the *Real Estate Act*. The issues under investigation were whether Mr. Mullett:

- participated in fraudulent activities in connection with the provision of service
- participated in unlawful activities (i.e. theft) in the provision of service
- brought the industry into disrepute by committing fraud and theft

At the time of Mr. Mullett's withdrawal from industry, the investigation was not complete and there had been no disciplinary hearing, admissions, or findings of fact.

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

## 2018-2019 Council Members

### BOBBI DAWSON

Appointed from the boards outside of Calgary and Edmonton

### VACANT

Appointed from the public by the Minister of Service Alberta

### RAMEY DEMIAN

Appointed from the industrial, commercial and investment real estate sector

### JT DHOOT

Appointed from non-AREA industry members

### BILL KIRK

Appointed from the Calgary Real Estate Board

### BRIAN KLINGSPON, PAST CHAIR

Appointed from the REALTORS® Association of Edmonton

### TIAGO LAGE

Appointed from the public

### PHIL MCDOWELL

Appointed from the mortgage brokerage sector

### STAN MILLS, CHAIR-ELECT

Appointed from the boards outside of Calgary and Edmonton

### ROBYN MOSER

Appointed from residential real estate industry members

### ROBERT TELFORD, CHAIR

Appointed from the real estate appraisal sector

### CHRISTINE ZWOZDESKY, ICD.D

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The Case Summaries is published by the Real Estate Council of Alberta.

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



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