

THE REAL ESTATE COUNCIL OF ALBERTA

Case: 007466  
Process: A Hearing under Part 3 of the *Real Estate Act*  
Licensee: Farouk Mohamed  
Class of License: Real Estate Associate Broker  
Registration: Currently registered with R & D Realty Inc. o/a Maxwell Canyon Creek

Document: NOTICE OF HEARING

TO: Farouk Mohamed

A hearing is set to review allegations about your conduct. Read this entire document to see what you must do.

**Hearing Information**

Date: January 27 and 28, 2022  
Time: 9:30 a.m.  
Location: Virtual Hearing via Microsoft TEAMS Platform

Hearing Panel: [M.K] - Chair, Panel Member (Public Member)  
[A.A] - Panel member (Licensee Member)  
[L.M] - Panel member (Licensee Member)

(Alternates: [J.A], [R.P] and [W.R])

Counsel for the Panel: Ricki Johnston, Gowlings WLG

**It is alleged that your conduct is deserving of sanction for breaching sections of the Act or Rules. Here are the details:**

- 1) You traded in real estate without holding the appropriate authorization for that purpose, contrary to s. 17(a) of the *Real Estate Act* (the prior version in effect during the time of your conduct) as outlined below:
  - a. You were an associate broker at your real estate brokerage from 2012.
  - b. Section 1(1)(x)(iv) of the *Real Estate Act* defines "trade" as including "property management". Section 2(4) of the *Real Estate Act Rules* (prior version in effect during the time of your conduct) requires that a real estate associate broker must hold the required qualifications, be licensed as a real estate associate broker, be employed with a licensed real estate brokerage, and be registered with and approved to trade in real estate on behalf of that brokerage.
  - c. On February 5, 2013, your brokerage's real estate broker sent an email to the brokerage's associates reminding them that they are not approved to provide property management services.
  - d. As your brokerage did not approve you providing property management services as required by s. 2(4)(d) of the *Rules*, you were not authorized to provide property management services.
  - e. From December 2015 to August 2017, you provided property management services for [CLIENT 1]'s rental home. You collected and managed rent, entered tenancy agreements, paid expenses, and provided monthly statements to [CLIENT 1]. You also charged property management fees;
  - f. From early 2016 to August 2017, you provided property management services for [NUMBERED COMPANY]'s unit. You collected and managed rent, entered tenancy agreements, and paid expenses and condominium fees, for the unit;
  - g. From January 2016 to August 2017, you provided property management services for [CLIENT 2]'s two units. You collected and managed rent, entered tenancy agreements, paid expenses and condominium fees, and provided monthly statements to [CLIENT 2];
  - h. From February 2016 to August 2017, you provided property management services for [CLIENT 3]'s two units. You collected and managed rent,

- entered tenancy agreements, paid expenses and condominium fees, and provided monthly statements to [CLIENT 3];
- i. From February 2016 to August 2017, you provided property management services for [CLIENT 4]'s rental home. You collected and managed rent, entered tenancy agreements, paid expenses, and provided monthly statements to [CLIENT 4]. You also charged property management fees;
  - j. From May 2016 to August 2017, you provided property management services for [C.C.I.]'s unit. You collected and managed rent, entered tenancy agreements, paid expenses and condominium fees, and provided monthly statements to [C.C.I.]. You also charged property management fees; and
  - k. From August 2016 to August 2017, you provided property management services for [CLIENT 4]'s unit. You collected and managed rent, entered tenancy agreements, paid expenses and condominium fees, and provided monthly statements to [CLIENT 4]. You also charged property management fees.
- 2) You provided property management services outside of your brokerage in seven instances, contrary to s. 53(a) of the *Real Estate Act Rules*; and
  - 3) You did not inform your brokerage of these seven instances of property management services, contrary to s. 53(d) of the *Real Estate Act Rules*.

### **Why You Should Attend the Hearing**

The hearing is your opportunity to respond to the allegations and state your side of the case in front of the Panel.

### **Learn About the Hearing Process**

Please read these guides on the RECA website:

- *Hearing and Appeal Practice and Procedures Guideline and*
- *Guide for How to Represent Yourself at a Real Estate Council of Alberta Hearing or Appeal Panel*

*Both are found on the RECA Website: RECA>Complaints & Discipline>Hearing Information and Procedures*

### **What You Should Bring to the Hearing**

Bring any witnesses and evidence you want the Panel to consider, with you to the hearing.

### **What Will Happen If You Don't Attend**

If you do not attend the Panel may proceed to make a decision without you.

### **What Will Happen At the Hearing**

After hearing all evidence and argument the Panel will decide whether the Executive Director has proven any of the breaches. If no breach is proven you will face no sanction.

If the Panel finds a breach is proven the Panel may do one or more of the things listed in **section 43** of the *Real Estate Act*:

- Cancel or suspend your license
- Order you to pay a fine for each breach
- Order you to pay the cost of the investigation and the hearing
- Order you to complete an education course

### **Submitting Written Arguments After the Hearing**

You can provide written arguments at the end of the hearing or after the end of the hearing

You must provide these to the **Hearings Administrator** and **Counsel for the Registrar** (contact information below) **no later than 15 days after the end of the Hearing**.

Contact the Hearing Administrator if you need more time.

## You Can Get Legal Advice

You may get legal advice and may be represented by legal counsel at the hearing.

If you do not have a representative please read *Information for Unrepresented Industry Members*:

<http://www.reca.ca/industry/content/publications-resources/guides.htm>.

## If You Object to a Panel Member

Please review who is on the Panel. If you object to any of the people being on the Panel, you must advise the Hearings Administrator **who you object to and why within 14 days** of receiving this Notice.

If you do not object to the Panel within 14 days, this Panel will conduct the hearing.

## Postponing the Hearing

If you are not available on the date set for the hearing you can apply to the Panel for a new date. Contact the lawyer for the Registrar and the Hearings Administrator as soon as possible if you need a new date.

Dated at Calgary, Alberta, on December 3, 2021.

“Signature”

Charles Stevenson, Registrar  
of the Real Estate Council of Alberta

### Contact Information:

Hearings Administrator: Email: <a href="mailto:hearingsadmin@reca.ca">hearingsadmin@reca.ca</a> Fax: 403 228 3065 Direct: 403 685 7913 Toll Free: 1 888 425 2754 Address: Real Estate Council Suite 202, 1506 11 Avenue SW Calgary, Alberta T3C 0M9	Lawyer for the Registrar: Email: <a href="mailto:conductadmin@reca.ca">conductadmin@reca.ca</a> Fax: 403 228 3065 Direct: 403 685 7944 Toll Free: 1 888 425 2754 Address: Real Estate Council Suite 202, 1506 11 Avenue SW Calgary, Alberta T3C 0M9
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