

REAL ESTATE COUNCIL OF ALBERTA

NOTICE OF ADMINISTRATIVE PENALTY

To: Zoltan Padar, Broker
c/o Mortgage Pro Ltd.
703, 7015 Macleod Trail SW
Calgary, AB T2H 2K8

In accordance with s. 39 and 83 of the *Real Estate Act* and the Bylaws of the *Real Estate 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 Zoltan Padar, Mortgage Broker registered with Mortgage Pro Ltd. to assess an Administrative Penalty. The evidence giving rise to the Executive Director's decision is as follows:

In or around May, 2004, L.T. made application with Mortgage Pro Ltd. for a \$12,000 second mortgage on his Beiseker property (the "Property"). Around this same time, B.R., facilitated by Mortgage Pro Ltd., became C.L. lender and a \$12,000 second mortgage was registered against the title of the Property.

In or around September, 2004, HSBC Bank of Canada registered a Certificate of Lis Pendens against the title of the Property. In or around January, 2005, the title of the Property was transferred to B.R. Around this same time, B.R. arranged with Zoltan Padar that Mr. Padar would attempt to find a buyer for the Property by soliciting real estate industry members.

In or around January 2005, Mr. Padar sent approximately 2000 to 3000 e-mails to real estate industry members that advertised the Property for sale as follows:

"BEISEKER FORECLOSURE YOU ARE INVITED TO SELL THIS PROPERTY

- CASH \$8000 COMMISSSION PAID
- 1120 SQ FT Fully developed bungalow (more details follow)
- \$169,000 FIRM
- PROPERTY BELONGS TO ONE OF OUR PRIVATE INVESTOR. WE OFFER EASY FINANCING 253-2022
- EASIEST SALE YOU EVER MADE! YOU MIGHT EVEN HAVE A CLIENT ALREADY. APRIL 1, 2005 POSESSION
- PLEASE CALL AS FOR ANY INFORMATION 9-5 MONDAY TO FRI."(sic)

Mr. Padar held a key for the Property to give to interested real estate agents who wanted to view the property and gave instructions that all purchase contracts would be forwarded to the seller through him. Mr. Padar also advertised the Property on his website. The property was not sold by Mr. Padar's activities.

During the relevant time period, Mr. Padar was not authorized by the Real Estate Council of Alberta to hold himself out as a real estate broker.

The Executive Director believes this conduct is in contravention of section 17(d) of the *Real Estate Act* and is conduct deserving of sanction.

In accordance with s. 39 and 83 of the *Real Estate Act* and Part 4 of the Bylaws of the *Real Estate Act*, an Administrative Penalty in the amount of **\$1000.00** has been assessed against Zoltan Padar, Mortgage Broker registered with Mortgage Pro Ltd. 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 *Real Estate Act* will be taken against you in respect of the contravention.

This sum 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. 35 of the bylaws, 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 Monica Burman, Case Officer at the Real Estate Council of Alberta.

DATED this 23rd day of August, 2005.

REAL ESTATE COUNCIL OF ALBERTA

Per: "A.K." 

Bób Myroniúk
Executive Director