

REAL ESTATE COUNCIL OF ALBERTA
NOTICE OF ADMINISTRATIVE PENALTY

To: Cheryl Leal
6515 Martingrove Dr NE
Calgary AB T3J 4J7

And to: Executive One Property Management Inc.
6515 Martingrove Dr NE
Calgary AB T3J 4J7

In accordance with Section 83 and the Bylaws of the *Real Estate Act* (hereinafter the "Act"), the Executive Director of the Real Estate Council of Alberta is of the opinion that Cheryl Leal and Executive One Property Management Inc. have contravened s.17(a) of the Act, and hereby assesses an Administrative Penalty in the amount of **\$2,000**. The evidence giving rise to the Executive Director's decision is as follows:

Executive One Property Management Inc. (hereafter "Executive One") is a corporation registered in Alberta. Cheryl Leal (hereafter "Leal") is a director of Executive One. Executive One and Leal are not presently, and never have been, authorized to trade in real estate by the Real Estate Council of Alberta.

In the period from March to May 2004, Leal and Executive One entered into a property management agreement with 1029706 Alberta Ltd. (hereafter "the owner"), and conducted property management activities on the owner's behalf with respect to three (3) residential properties located in the City of Calgary. The property management activities of Leal and Executive One included the following:

1. negotiating and signing lease agreements
2. collecting and holding tenant security deposits and rental income
3. conduct periodic inspections of the properties

For their property management services as described herein, Leal and Executive One charged and obtained fees from the owner in the form of deductions from the total monthly rents they collected on the owner's behalf.

It was the responsibility of Leal and Executive One to ensure that they hold the appropriate authorization to trade in real estate from the Real Estate Council of Alberta to trade as a real estate broker.

In accordance with section 39 and 83 of the Act and Part 4 of the Bylaws of the Act the Executive Director believes Leal and Executive One contravened s.17(a) of the Act and hereby assesses an Administrative Penalty in the amount of **\$2,000** to Cheryl Leal and Executive One Property Management Inc. jointly and severally.

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 offence in respect of those contraventions.

This sum of **\$2,000** 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 section 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 Leanne Boon, Case Officer, at the Real Estate Council of Alberta 1-403-228-2954.

DATED this 8th day of **December, 2004**.

REAL ESTATE COUNCIL OF ALBERTA

Per: "Bob Myroniuk"
Bob Myroniuk
Executive Director