

## THE REAL ESTATE COUNCIL OF ALBERTA

Case: 008162  
Process: Section 39 & 83 of the *Real Estate Act*  
Industry Member: John Stobbe  
Authorization: Real Estate Broker  
Registration: Century 21 Shackleton  
Document: ADMINISTRATIVE PENALTY

TO: John Stobbe

The Executive Director of the Real Estate Council of Alberta (RECA) has determined that there is sufficient evidence that you have contravened **section 25(1)(d) of the Real Estate Act** and this is conduct deserving of sanction.

*25(1)(d) An industry member who is required by the rules to keep and operate a trust account shall disburse money received or held in trust in respect of a dealing or trade in the business of the industry member only in accordance with the rules and with the terms of the trust governing the use of that money.*

Penalty: \$1,500.00

### Particulars of the contravention(s):

1. In or around March, 2017, you failed to disburse money received or held in trust in respect of a dealing or trade in the business of the industry member only in accordance with the rules and with the terms of the trust governing the use of that money, contrary to section 25(1)(d) of the *Real Estate Act* Rules:
  - a) You had a Management Agreement in place for the [{"property"}]. The contract was terminated February 17, 2017.
  - b) There were outstanding fees owed to your brokerage for the payment of utilities and management fees.
  - c) You used the security deposit from the tenant to pay these fees. The disbursement was not in accordance with the terms of trust governing the use of the security deposit. The terms of trust are outlined in the Lease Agreement and the *Residential Tenancies Act*.

The circumstances of this matter indicate the following factors were considered:

### *Mitigating Factors*

- You took responsibility for your actions

### **Payment**

This Penalty must be paid **within 30 days** of the date this Notice was issued.

**If you fail to pay the Penalty** the Executive Director may commence collection under Part 6 of the *Real Estate Act* and may suspend your authorization under section 38.1 of the Rules.

### **If you pay the Penalty**

- You will have satisfied the Administrative Penalty and no further proceedings under Part 6 will be taken against you.
- You cannot be charged under the *Real Estate Act* with an offence for the contravention(s) in this Administrative Penalty.

### **Appeal**

You have the right to appeal this Administrative Penalty to a Hearing Panel. See **section 83.1 of the *Real Estate Act*** for what you must do to appeal.

In an appeal you will be given a full opportunity consistent with procedural fairness and natural justice to present evidence before the Hearing Panel in relation to the contraventions alleged.

Your written notice of appeal must comply with section 83.1 and must be received by the Executive Director **within 30 days** of you receiving this Administrative Penalty.

If you appeal, payment of the Penalty will not be required until an order to pay a penalty is issued by the Hearing Panel.

If you have any questions regarding particulars or the appeal process, please contact:

Name: CS, Professional Conduct Review Officer  
Phone: 403.228.2954; Toll Free: 1.888.425.2754  
Fax: 403.228.3065  
Address: Real Estate Council of Alberta  
350 4954 Richard Road SW  
Calgary, Alberta, T3E 6L1

Issued at Calgary, Alberta, on November 16, 2018.

*Charles Stevenson, for*  
Bob Myroniuk, Executive Director  
of the Real Estate Council of Alberta