

**DECISION OF  
THE SASKATCHEWAN REAL ESTATE COMMISSION  
AND CONSENT ORDER**

*Richard (Re)*, 2026 SKREC 2

Date: March 26, 2026  
Commission File: 2024-111

**IN THE MATTER OF  
THE REAL ESTATE ACT, C. R-1.3 AND  
IN THE MATTER OF MICHAEL RICHARD**

Before: A Saskatchewan Real Estate Commission Hearing Committee  
comprised of the following:

Jeffrey P. Reimer - Chairperson

Wayne Bernakevitch

Lori Patrick

**CHARGE and ADMISSION OF MISCONDUCT:**

[1] The registrant is charged with and is admitting to professional misconduct as follows:

**Count 1:**

- That, contrary to section 39(1)(c) of *The Real Estate Act*, Mr. Richard breached Commission Bylaw 712(c) by allowing unregistered employees of the brokerage to trade in real estate; and

**Count 2:**

- That, contrary to section 39(1)(c) of *The Real Estate Act*, Mr. Richard breached Commission Bylaw 702 by failing to protect and promote the interests of a client of his brokerage.

**LEGISLATION:**

[2] Section 39(1)(c) of *The Real Estate Act* states:

*“Professional misconduct is a question of fact, but any matter, conduct or thing, whether or not disgraceful or dishonourable, is professional misconduct within the meaning of this Act, if...it is a breach of this Act, the regulations or the bylaws or any terms or restrictions to which the registration is subject.”*

[3] Commission Bylaw 712(c) states:

*“A broker or branch manager shall be responsible for: .... ensuring that the brokerage utilizes only registered personnel to perform the duties of registrants on behalf of the brokerage”.*

[4] Commission Bylaw 702 states:

*“A registrant shall protect and promote the interests of his or her client. This primary obligation does not relieve the registrant from the obligation of dealing fairly with all other parties to the transaction.”*

#### **FACTS:**

[5] In accordance with subsection 9(4) of The Real Estate Regulations (the “**Regulations**”), the Hearing Committee accepts Mr. Richard’s Statement of Facts and Admissions, which includes the following relevant points:

[6] Mr. Richard has been registered as a broker under the provisions of *The Real Estate Act* in the Province of Saskatchewan with the Saskatchewan Real Estate Commission since June 5, 2023, and, prior to that, he was registered as a salesperson from March 7, 2023, to June 5, 2023.

[7] Mr. Richard has taken the following real estate courses:

- Phase 1 – Real Estate as a Professional Career
- Property Management as a Professional Career
- Real Estate Office Management & Brokerage
- Commercial Real Estate as a Professional Career
- Residential Real Estate as a Professional Career

[8] Mr. Richard has completed the continuing professional development seminars each registration year since 2022-2023.

[9] Mr. Richard is presently registered under the provisions of *The Real Estate Act* as a broker with Silverleaf Property Ltd. (“**Silverleaf**”).

[10] Silverleaf was previously registered under the name Elite Property Management Ltd. (“**Elite**”) from March 7, 2023, to September 3, 2024, and then on September 4, 2024, the brokerage changed its name to Silverleaf.

- [11] On January 30<sup>th</sup>, 2020, Elite and the Owner signed a Property Management Agreement which provided that Elite was the sole and exclusive leasing and management agent of the Property.
- [12] On May 29, 2024, Elite entered into a lease agreement with Lessor A for the Property (the “Lease”). The Lease provided that Elite was renting the Property to Lessor A for 12 months, beginning on June 1, 2024 and ending on May 31, 2025.
- [13] The individual who signed the Lease on behalf of Elite was Employee A.
- [14] Employee A was a leasing agent with Elite, and his job responsibilities included conducting property showings to prospective tenants, managing move-ins and move-outs to ensure smooth transitions for all parties, identifying and securing new properties for management, maintaining strong relationships with property owners and tenants, providing exceptional customer service, and utilizing property management software for record keeping and managing client interactions.
- [15] Employee A is not, and never has been, registered with the Commission to trade in real estate.
- [16] After discovering that Employee A was trading in real estate without being registered with the Commission, Commission staff obtained and reviewed lease agreements for other properties to determine whether other unregistered individuals were trading in real estate on behalf of the brokerage.
- [17] On July 8, 2024, Elite entered into a Lease Agreement for Property B. The individual who signed this lease agreement on behalf of Elite was Employee B.
- [18] Employee B was a leasing agent with Elite, and his job responsibilities were identical to Mr. Employee A’s job responsibilities.
- [19] On August 8, 2024, Elite Property Management entered into a Lease Agreement for Property C. Employee B also signed this lease agreement on behalf of Elite.
- [20] Employee B is not, and never has been, registered with the Commission to trade in real estate.
- [21] On November 4, 2024, the Owner filed a complaint against Mr. Richard alleging several issues with Elite’s management of the Property, including utilities not being paid in a timely manner, the unjustified return of a damage deposit, and a lack of communication and unresponsiveness.
- [22] Pursuant to the agreement between Elite and the Owner, payment for utilities was to be collected from the tenants and then paid to the City and to SaskEnergy by Elite.
- [23] In February or March of 2024, the Owner received a call from the City that the services were about to be cut off due to the account being in arrears in the

amount of \$1,002.78. Late fees had been charged by the City and added to the amount.

- [24] The account was also in arrears in September of 2024 in the amount of \$698.08.
- [25] The Owner paid the amount of \$698.08 before terminating the Property Management Contract with Elite.
- [26] Mr. Richard was assured multiple times by his accounting staff that all utilities were accurately recorded and billed, but upon review with his accountant, he determined that the Owner was entitled to a refund of \$251.23.
- [27] Mr. Richard did not have an explanation for why the bills were not paid on time. He advised that the bookkeeper responsible during that period was no longer with the brokerage, and their current system ensures that all utility payments are handled by their main bookkeeper who processes payments monthly and records them in their ledger.
- [28] Elite also returned a security deposit to a tenant of the Property before the tenant moved out. After the tenant moved out and the Owner moved into the Property, the Owner noticed damage and sent pictures to employees of Elite in August of 2024.
- [29] Mr. Richard acknowledged that there was no justification for returning the damage deposit and took full responsibility for this oversight. Mr. Richard placed excessive trust in his employee and failed to address this matter during their weekly meetings.
- [30] The Owner also stated that there was a problem with a lack of communication from Elite.
- [31] The Owner counted a minimum of fifteen different unanswered email chains from April-October of 2024, along with unanswered phone calls and letters. The Owner had to follow up with Mr. Richard and Employee B on several occasions.

## **REASONS:**

### Mitigating Factors

- [32] Mr. Richard has no previous sanction history.
- [33] Mr. Richard has been registered since March of 2023.
- [34] Mr. Richard was cooperative with the investigation.

## Aggravating Factors

[35] Mr. Richard has been registered as a broker since June of 2023 and as the people responsible for the supervision of registrants, brokers are held to a higher standard of conduct.

## Prior Decisions & Other Considerations

[36] In May of 2012, the Appeals Committee of the Real Estate Council of Ontario rendered a decision [\*In the Matter of Suzette Thompson\*](#) ("**Thompson**"). The Appeals Committee in *Thompson* set out a series of factors to be considered when determining the appropriate sanction for a registrant found in breach of the legislation. The factors are as follows:

1. The nature and gravity of the breaches of the Code of Ethics.
2. The role of the offending member in the breaches.
3. Whether the offending member suffered or gained as a result of the breaches.
4. The impact of the breaches on complainants or others.
5. The need for specific deterrence to protect the public.
6. The need for general deterrence to protect the public.
7. The need to maintain the public's confidence in the integrity of the profession.
8. The degree to which the breaches are regarded as being outside the range of acceptable conduct.
9. The range of sanction in similar cases.

[37] These factors are reasonable considerations and can offer guidance to members of a Hearing Committee tasked with crafting an appropriate sanction for a registrant found to have committed professional misconduct. These factors have been consistently applied in Saskatchewan Real Estate Commission consent orders since September 2016.

1. *The nature and gravity of the breaches of the Code of Ethics.*

[38] It is required in the province of Saskatchewan, as in all other provinces, that individuals become registered with the Commission prior to trading in real estate. Mr. Richard undermined this requirement by allowing two unregistered employees to trade in real estate on behalf of the brokerage on at least three occasions.

[39] Mr. Richard failed to ensure that employees of his brokerage paid his client's utility bills on time over the course of several months, leading to significant arrears and unnecessary late fees. This culminated in a phone call to the client

from the City of Saskatoon advising that if the arrears weren't immediately paid, utilities would be shut off.

- [40] Mr. Richard also failed to ensure that he and his staff responded to this client in a timely manner and returned a damage deposit to a departing tenant despite there being damage to the property.

*2. The role of the offending member in the breaches.*

- [41] As the broker of Elite Property Management Ltd and then Silverleaf Property Management Ltd, Mr. Richard is responsible for ensuring that the brokerage's business is carried on in compliance with the legislation.

*3. Whether the offending member suffered or gained as a result of the breaches.*

- [42] There is no evidence that Mr. Richard or his brokerage suffered or gained as a result of the breaches.

*4. The impact of the breaches on complainants or others.*

- [43] On three separate occasions, an unregistered individual entered into lease agreements with tenants on behalf of the brokerage.

- [44] The complainant incurred unnecessary costs and stress when her utilities were not paid on time and when a deposit was returned to the tenant despite there being damage to the Property.

*5. The need for specific deterrence to protect the public.*

- [45] Mr. Richard must be reminded of the importance of ensuring that only registered personnel trades in real estate on behalf of the brokerage. Brokers are held to a higher standard of conduct as they play a vital role in protecting the public.

- [46] Further, Mr. Richard must be reminded of the importance of protecting and promoting the interests of his client, and that it is his responsibility, and the responsibility of every broker, to properly supervise his employees and take full responsibility for their actions.

*6. The need for general deterrence to protect the public.*

- [47] Brokers must be reminded of the importance of their supervisory roles in regard to all brokerage staff, including ensuring that their employees are carrying on business in compliance with the legislation. Registrants must be made aware of the need for transparency and accountability when handling payments and funds for their clients.

[48] Additionally, all registrants must be reminded of the importance of protecting and promoting the interests of their clients.

*7. The need to maintain the public's confidence in the integrity of the profession.*

[49] Members of the public must be confident that the representatives of a brokerage who are handling their transactions are properly educated and qualified to trade in real estate.

[50] The public should be confident when signing property management agreements that their interests will be both protected and promoted. When registrants fall below this standard of conduct, the public loses confidence in the integrity of the profession.

*8. The degree to which the breaches are regarded as being outside the range of acceptable conduct.*

[51] Mr. Richard's conduct falls below the standard expected of registrants, but it was not egregious.

*9. The range of sanction in similar cases.*

**A. What is an appropriate sanction for Mr. Richard's breach of Bylaw 712(c).**

[52] There are five previous Hearing Committee decisions dealing with breaches of Bylaw 712(c). The following three decisions are the most applicable to the present case.

*i. [Davidson \(Re\)](#), 2025 SKREC 4 (file #2024-86) ("Davidson")*

[53] In *Davidson*, Ms. Davidson was issued an order of reprimand and \$5,000 fine for breaching Bylaw 712(c) for failing to ensure that the brokerage utilized only personnel registered with the brokerage to perform duties of registrants on behalf of the brokerage. While the significant nature of this breach would typically call for a higher sanction amount, the extenuating circumstances surrounding Ms. Davidson's breach, along with other mitigating factors, warranted a reduced penalty.

[54] Ms. Davidson was previously registered as an associate broker with Brokerage 1 when the broker and part owner, Registrant A, ended his partnership with Registrant B and made plans to close Brokerage 1 and open a new brokerage, Royal LePage Next Level ("**Next Level**"). Registrant A approached Ms. Davidson about his intention to close Brokerage 1 and transfer the registrants from Brokerage 1 to Next Level. Ms. Davidson agreed to be the broker of Next Level

until Registrant A met the closing requirements for Brokerage 1 and transferred to Next Level.

[55] Delays by Registrant 1 in meeting the closing requirements for Brokerage 1 prevented the quick move they had expected. While still registered as the broker for Brokerage 1, Registrant A entered into two listing agreements on behalf of Next Level and was advertised on the Next Level website as a listing agent and the broker of Next Level on three separate properties. Ms. Davidson did not review the two listings Registrant A entered into on behalf of Next Level as the planned transition of Registrant A moving to Next Level was still in progress.

[56] Ms. Davidson is a broker, and as the people responsible for supervising registrants, and the brokerage as a whole, brokers must be held to a high standard.

[57] Mr. Richard's conduct is more serious than the registrants in *Davidson*. In *Davidson*, Ms. Davidson's registration as a broker was meant to be temporary and the circumstances created a unique and difficult situation. In the present case, Mr. Richard has been the broker since June of 2023, and there was no unique situation justifying having unregistered individuals trade in real estate on behalf of the brokerage on at least three separate occasions.

ii. *Kotlar (Re)*, [2020 SKREC 3](#) (file # 2015-34) ("*Kotlar*")

[58] In *Kotlar*, Mr. Kotlar was issued an order of reprimand and a \$1,500 fine.

[59] Mr. Kotlar employed two unregistered individuals as assistants. Assistant A was not, and had never been, registered with the Commission to trade in real estate. Assistant A assisted Mr. Kotlar in representing the buyers of a property because the buyers had a poor command of the English language. However, the bulk of correspondence with the buyer clients and with the listing agent appeared to come from Assistant A and Assistant A witnessed the buyers' signatures on virtually all of the transaction documents.

[60] Assistant B had been a registrant and was in the process of completing her education courses to become registered once again. Mr. Kotlar allowed Assistant B to show a property to clients when he was unavailable. An offer to purchase naming Mr. Kotlar as the registrant representing the buyer was written. Assistant B signed as witness to the buyer's signature and corresponded with the listing agent about the offer. Mr. Kotlar was not aware of this offer.

[61] Mr. Kotlar was cooperative with the investigation and was no longer registered as a broker at the time of this decision. Mr. Kotlar was dealing with challenging personal circumstances at the time of his breach of the legislation that drew his focus away from the management of his files and brokerage.

[62] Mr. Richard's conduct is more serious than the registrant in *Kotlar*. In *Kotlar*, there were personal circumstances that pulled Mr. Kotlar's focus from the management of his brokerage. In the present case, no evidence of personal circumstances has been provided to justify Mr. Richard's failure to ensure that only registered personnel traded in real estate on behalf of the brokerage.

iii. *Imperial Properties Corp. (Re)*, [2019 SKREC 38](#) (file # 2019-01A) ("*Imperial*")

[63] In *Imperial*, Imperial was issued an order of reprimand and a \$1,250 fine.

[64] Imperial Properties Corp. permitted an unregistered employee of the brokerage to sign Property Management Agreements on behalf of the brokerage. Unregistered employees of the brokerage handled the management of several properties in Regina. When a landlord contacted the broker to complain about the level of service received from the unregistered employees, the broker responded to advise that he was no longer involved in the management of the Regina portfolio.

[65] Imperial was also charged with violating Bylaw 617 and received a separate fine of \$1,250 for that violation.

[66] In the present case, Mr. Richard's conduct is equally as serious to the conduct in *Imperial*. Unregistered employees of the brokerage entered into lease agreements with tenants on behalf of the brokerage on at least three separate occasions.

[67] In May of 2020, the provincial legislature amended s. 38 of *The Real Estate Act* to increase the maximum fines that can be ordered against registrants found guilty of professional misconduct or professional incompetence. The previous iteration of the legislation capped fines at \$5,000 for each finding up to a maximum of \$15,000 in the aggregate for all findings. The new maximum fine for each finding of professional misconduct or professional incompetence was increased to \$25,000 for each finding up to \$100,000 in the aggregate for all findings. While this legislative change does not invalidate the precedents to be found in previous hearing decisions, it must be taken as a strong signal from lawmakers that the fines ordered against registrants should be increased so as to ensure the protection of the public.

[68] A letter of reprimand and a fine of \$5,000 are appropriate sanctions for Mr. Richard's breach of Bylaw 712(c).

#### **B. What is an appropriate sanction for Mr. Richard's breach of Bylaw 702?**

[69] While there have been several decisions regarding Bylaw 702 the following are the most relevant to the present case.

i. *Wilson (Re)*, [2019 SKREC 36](#) (file #2019-24) ("*Wilson*")

- [70] In *Wilson (Re)*, 2019 SKREC 36, Mr. Wilson was issued an order of reprimand and a fine of \$1,000 for his breach of Bylaw 702.
- [71] Mr. Wilson was the broker of a property management brokerage. A property owner signed a property management agreement with the brokerage for the management of her property. Throughout the duration of the management agreement, the owner dealt almost exclusively with Registrant A. Registrant A's employment with the brokerage was terminated in the first week of January of 2019. The owner was not notified of Registrant A's termination at the time. In January of 2019, the tenants at the property gave notice and vacated the property at the end of February. The owner was not told that the tenants had vacated the property. In March of 2019, the owner received an email from a utility provider advising that the tenants had removed themselves from the account. The owner contacted the brokerage and was advised that the tenants had vacated the property and that Registrant A, her primary contact at the brokerage, no longer worked there. Mr. Wilson had wanted to reorganize and redistribute Registrant A's portfolio before contacting landlords to advise of Registrant A's termination.
- [72] Mr. Wilson was co-operative with the investigation. Mr. Wilson is registered as a broker. As the people responsible for ensuring that the registrants and employees under their supervision are complying with the legislation, brokers are held to a higher standard of conduct
- [73] Mr. Richard's breach of Bylaw 702 was more severe than the breach of Mr. Wilson. In both cases the property management companies had failed to communicate effectively with their clients. However, in the present case, the actions of Mr. Richard and his employees led to financial loss to the owner as several utility bills weren't paid, leading to significant arrears and unnecessary late fees, and a damage deposit was returned to a tenant despite there being damage to the property.

ii. *Braaten (Re)*, 2016 SKREC 8 (file # 2012-62) ("*Braaten*")

- [74] In *Braaten (Re)* 2016 SKREC 8, Mr. Braaten was issued an order of reprimand, fined \$500 and ordered to pay costs of \$5,774.17 for his breach of Bylaw 702.
- [75] Employees of Mr. Braaten's brokerage failed to keep proper records relating to a property management client. The records retained by the brokerage included accounting errors. The brokerage did not have copies of receipts to support a deduction from rent paid by a tenant of the landlord's property. The brokerage did not have a copy of an invoice for work done by a carpentry service. Upon termination of the property management agreement by the landlord, the brokerage returned the tenant's security deposit to the tenant rather than turning

it over to the landlord. Mr. Braaten did not respond to several e-mails from the client; choosing instead to trust that his employees were following up on the issues. Mr. Braaten did not follow-up with his employees to confirm that they were indeed responding to the client's e-mails.

- [76] Mr. Braaten gave evidence regarding the significant personal stress he was facing at the time of the transaction and indicated that he relied on his employees to carry out their duties. At the hearing, the registrant suggested that an absolute discharge or a conditional discharge would be an appropriate sanction for his breaches of the legislation. The Investigation Committee Representative took the position that a discharge was not an appropriate result.
- [77] Mr. Braaten did not have a previous sanction history and had been a registrant since 1986. He was co-operative with the investigation and admitted to his breaches of the legislation. There was no suggestion that Mr. Braaten intended to deceive the client.
- [78] Both Mr. Braaten's breach and the breach of Mr. Richard are of similar severity. In both cases there is evidence of concerning patterns of accounting errors and failing to respond to client correspondence. A differentiating factor is that Mr. Richard has not indicated any personal stress that he was facing over the course of the management of this property. Both Mr. Richard and Mr. Braaten are brokers and are held to a higher standard.
- [79] Given the May 2020 legislative changes, an order of reprimand and a fine of \$3,000 are appropriate sanctions for Mr. Richard's breach of Bylaw 702.

#### **CONSENT ORDER:**

- [80] In accordance with *The Real Estate Act*, its Regulations, and the Commission Bylaws, and with the consent of Mr. Richard, and the Investigation Committee of the Saskatchewan Real Estate Commission, the Hearing Committee hereby orders:
- [81] With respect to Count 1, the charge of professional misconduct contrary to section 39(1)(c) of *The Real Estate Act* for breach of Commission Bylaw 712(c):
- a. Mr. Richard shall receive an order of reprimand for the violation of Commission Bylaw 712(c);
  - b. Mr. Richard shall, within six months of the date of this order, pay to the Saskatchewan Real Estate Commission a \$5,000.00 fine for the said violation of the *Act*; and
  - c. Mr. Richard's registration shall be terminated if he fails to make payment as set out above.

[82] With respect to Count 2, the charge of professional misconduct contrary to section 39(1)(c) of *The Real Estate Act* for breach of Commission Bylaw 702:

- a. Mr. Richard shall receive an order of reprimand for the violation of Commission Bylaw 702;
- b. Mr. Richard shall, within six months of the date of this order, pay to the Saskatchewan Real Estate Commission a \$3,000.00 fine for the said violation of the *Act*; and
- c. Mr. Richard's registration shall be terminated if he fails to make payment as set out above.

[83] There shall be no order as to costs.

Dated at Regina, Saskatchewan, this 26<sup>th</sup> day of March, 2026.

Jeffrey P. Reimer  
Hearing Committee Chairperson