

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

Chavady (Re), 2026 SKREC 18

Date: September 29, 2026
Commission File: 2024-96

**IN THE MATTER OF
THE REAL ESTATE ACT, C. R-1.3 AND
IN THE MATTER OF PAUL CHAVADY**

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

Jeffrey Reimer - Chairperson

Tyler Badinski

Carla Browne

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. Chavady breached Section 58(1)(b) of the *Act* 106 times, by failing to include required information on an offer to purchase.

Count 2:

That, contrary to section 39(1)(c) of *The Real Estate Act*, Mr. Chavady breached Commission Bylaw 701(a), by providing an untrue statement of material fact to the Commission.

Count 3:

That, contrary to section 39(1)(c) of *The Real Estate Act*, Mr. Chavady breached Commission Bylaw 701(b), by omitting to state a material fact to the Commission.

Count 4:

That, contrary to section 39(1)(c) of *The Real Estate Act*, Mr. Chavady breached Commission Bylaw 702 105 times, by failing to protect and promote the interests of his clients by:

- failing to represent the interests of buyers in 67 separate transactions in which he acted in dual agency;
- signing a counteroffer after expiry of the deadline;
- failing to remove conditions, or amend the contract, prior to expiry of the deadline in 36 transactions;
- failing to disclose knowledge of asbestos to buyer clients while acting in dual agency.

Count 5:

That, contrary to section 39(1)(c) of *The Real Estate Act*, Mr. Chavady breached Commission Bylaw 733(a), 6 times by failing to include required information on service agreements for 6 different transactions.

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] Section 58(1)(b) of *The Real Estate Act* states:

”58(1) An offer to purchase obtained by a registrant:

(b) is to clearly show, prior to execution by the buyer:

- (i) the date on which the offer is made;*
- (ii) the names and addresses of the buyer and seller;*
- (iii) the street address or legal description of the real estate;*
- (iv) the price offered by the buyer and the terms and conditions of the offer;*

(v) the amount of deposit, if any, made at the time of the offer and whether or not that deposit is to form part of the price;
(vi) a brief description and list of any chattels that are to be included in the price;
(vii) the date of possession by the buyer and whether possession is to be vacant or otherwise;
(viii) the date of adjustments;
(ix) the time and date by which the offer is to be accepted;
(x) the name, address and telephone number of the brokerage; and
(xi) any other information prescribed in the bylaws.”

[4] Commission Bylaw 701 states:

*“701 - No registrant shall make or permit to be made, whether orally or otherwise, a statement, record, report, notice or other document required by this Act, the regulations or the bylaws that:
(a) contains an untrue statement of a material fact”; or
(b) omits to state a material fact.”*

[5] Commission Bylaw 702 states:

“702 - 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.”

[6] Commission Bylaw 733(a) states:

*“733 - A service agreement must contain, in addition to the requirements of an agency agreement pursuant to Section 57(1) of the Act:
(a) the name and address of all parties;”*

FACTS:

[7] Mr. Chavady has been continuously registered as a Salesperson under the provisions of *The Real Estate Act* (the “Act”) in the Province of Saskatchewan with the Saskatchewan Real Estate Commission (the “Commission”) since September 20, 2007.

[8] Mr. Chavady has taken the following real estate courses:

- Phase 1 - Real Estate as a Professional Career;
- Residential Real Estate as a Professional Career;
- Commercial Real Estate as a Professional Career.

[9] Mr. Chavady has completed the continuing professional development seminars each registration year since 2006-2008.

- [10] Mr. Chavady is presently registered under the provisions of the *Act* as a Salesperson with Royal LePage Varsity.
- [11] Mr. Chavady was a co-listing agent, along with his partner, Registrant A, on all the transactions relating to this matter.
- [12] In January of 2019, Mr. Chavady and his partner met with representatives of Company A, a group of companies operating in real estate investment in and around Saskatoon and North Battleford (“InvestCo”).
- [13] Over the next few months, Mr. Chavady and his partner represented InvestCo on numerous purchase transactions.
- [14] InvestCo’s operation expanded rapidly and this growth reinforced Mr. Chavady’s perception of InvestCo as a credible and dynamic player in the real estate market.
- [15] By mid-July 2019, Mr. Chavady’s relationship with InvestCo took a new turn when InvestCo contacted Mr. Chavady and his partner to list a property for sale. InvestCo had negotiated the sale price and secured a buyer independently but engaged my Mr. Chavady and his partner to complete the transaction and guide the process.
- [16] This was Mr. Chavady’s first involvement in what became one of InvestCo’s main investment programs (the “Investment Program”).
- [17] Later in July 2019, InvestCo’s representatives explained to Mr. Chavady and his partner how their Investment Program would work and asked them to assist with their resale transactions for a modest commission noting that they would handle the bulk of the work, including marketing, buyer recruitment and price negotiations.
- [18] Mr. Chavady and his partner agreed to work with InvestCo on their resales.
- [19] An appraisal prepared by a registered professional appraiser was obtained for every property prior to listing.
- [20] Mr. Chavady and his partner’s working relationship with InvestCo continued until the Financial and Consumer Affairs Authority of Saskatchewan issued a Cease Trade Order against InvestCo on October 21, 2021.
- [21] On October 15, 2024, Mr. Chavady received a letter from the Commission advising him that the Commission had established a complaint against him on its own motion to investigate his involvement in the purchase and sale of real estate in Saskatchewan by InvestCo. None of the clients Mr. Chavady and his partner acted for made complaints to the Commission in relation to their representation nor have any law suits been commenced against Mr. Chavady and his partner in relation thereto.

- [22] During the course of its investigation, the Commission reviewed and audited 147 of InvestCo's real estate transactions in which Mr. Chavady was involved.

Section 58(1)(b) Violations

- [23] Of the 147 transaction files reviewed by the Commission, Mr. Chavady failed to include in the offer to purchase information required by section 58(1)(b) of the *Act* for 106 transactions as follows:
- (a) 106 violations of section 58(1)(b)(ii) by failing to include names or addresses of the buyer or seller;
 - (b) 1 violation of section 58(1)(b)(ix) by failing to include the time and date by which the offer is to be accepted; and
 - (c) 33 violations of section 58(1)(b)(x) by failing to include the name, address or telephone number of the brokerage.
- [24] These violations were not deliberate omissions designed to obscure or deceive, but a product of a practice based on what Mr. Chavady mistakenly believed to be an industry standard. Mr. Chavady now fully understands this information is required by legislation to be included in every offer to purchase.
- [25] Mr. Chavady acknowledges his errors and has corrected his practice to be compliant with the legislation.

Bylaw 702 Violations

a. Failure to represent buyers in dual agency

- [26] Mr. Chavady acted in limited dual agency for InvestCo, as sellers, and their buyers in 67 of the transactions reviewed by the Commission.
- [27] On these transactions, where InvestCo was selling a property as part of their Investment Program, the role of Mr. Chavady and his partner as an intermediary was diminished.
- [28] InvestCo and the purchasers engaged in discussions and reached agreements on all key aspects such as purchase price, management arrangements, and rental income expectations, only involving Mr. Chavady and his partner once the details of the purchase were finalized.
- [29] Mr. Chavady and his partner did not participate in marketing or negotiation of purchase prices, all they did was facilitate the completion of agreements reached between InvestCo and its purchasers.
- [30] Mr. Chavady and his partner would receive an email from InvestCo instructing them to list a specific property at a specific price, enclosing an appraisal by a qualified professional appraiser in support of the listing price.

- [31] Subsequently, InvestCo would send Mr. Chavady and his partner another email with purchaser information and setting out the details of the purchase agreement.
- [32] InvestCo would follow this with a third email introducing Mr. Chavady and his partner to the purchasers.
- [33] Mr. Chavady and his partner would prepare the listing agreement for InvestCo to sign and then enter the listing into the MLS®.
- [34] Mr. Chavady and his partner would prepare the purchase documents and send them to the purchasers via email with instructions to e-sign the documents.
- [35] While Mr. Chavady believed the purchasers in all 67 transactions understood Mr. Chavady and his partner were acting in limited dual agency and the limited dual agency agreement, included with the purchase documents, was signed by all of the purchasers, Mr. Chavady did not explain limited dual agency to the purchasers.
- [36] In all 67 of these transactions the purchasers signed an Ancillary Services form which did not request any inspections. For every one of these transactions the buyers initialled the box beside "The Buyer's Brokerage has explained the potential implications of not completing any of the above inspections or reports and the Buyer has chosen to decline them."
- [37] Mr. Chavady did not explain the Ancillary Services form, or the risks of declining the inspections or reports to the purchasers. Mr. Chavady believed it unnecessary as he felt the form was self-explanatory and written in plain language.
- [38] In general, Mr. Chavady did not provide any additional information about the properties, comparable market values, the price for which InvestCo had purchased the property or any improvements supporting the increase in price to the purchasers.
- [39] In general, Mr. Chavady did not provide any advice to the purchasers.
- [40] Mr. Chavady's involvement was limited to listing the property and providing purchase documents via email.
- [41] Although Mr. Chavady's role in these transactions was reduced based on InvestCo's sale structure, Mr. Chavady understands and acknowledges that by entering into limited dual agency agreements he had an obligation to represent the interests of the purchasers in each of these transactions and that merely providing documents to e-sign did not fulfil that obligation.

b. Signing counter-offer after expiry of offer

- [42] Mr. Chavady and his partner, acting in limited dual agency, represented both InvestCo and the sellers in InvestCo's purchase of Property A.
- [43] InvestCo signed an offer to purchase Property A on September 30, 2019, leaving the offer open for acceptance by the seller until 12:00pm on October 2, 2019.
- [44] Mr. Chavady and his partner prepared a counter-offer which the sellers signed on October 3, 2019, after the original offer expired.
- [45] InvestCo accepted the counter-offer and the transaction proceeded.
- [46] Mr. Chavady now understands that proceeding in this manner creates risk to both parties and that the proper procedure would be to write a new offer with the terms agreed upon by the parties to ensure a valid contract and protect the interests of both parties.

c. Failure to remove conditions prior to deadline

- [47] On 36 of the transactions reviewed by the Commission, Mr. Chavady and his partner failed to ensure conditions were removed, or to amend the contract to extend the time for condition removal, prior to the expiry of the deadline for condition removal.
- [48] On these transactions, Mr. Chavady and his partner prepared amendments extending the deadline for condition removal and had them signed by both parties after the deadline for condition removal had already expired.
- [49] On some of these transactions this process occurred multiple times.
- [50] Mr. Chavady now understands that an amendment to extend the condition removal deadline must be signed by both parties prior to the expiry of the condition removal deadline.
- [51] Mr. Chavady now understands that proceeding in this manner creates risk to both parties.
- [52] Mr. Chavady now understands that the proper procedure when the deadline has expired would be to write a new offer to ensure a valid contract and protect the interests of both parties.

d. Failure to disclose latent defect

- [53] Mr. Chavady and his partner represented InvestCo in its purchase of Property B.
- [54] Property B was listed on November 26, 2019, by the executor for the estate with an asking price of \$219,000. The Public Remarks note that the "*HOME IS SOLD IN "AS IS" CONDITION*" and the Member Only Remarks state "*Estate Sale – All*

offers must include a signed Schedule "A" found in supplements. Please note vermiculite is present in the attic and drywall on main floor contains asbestos – see Laboratory Analysis Report in supplements".

[55] The Schedule "A" stated, in part:

The Buyer agrees that he is purchasing the property on an "as is" basis...

1.a) The Buyer confirms that he has been informed that there is vermiculite in the attic and asbestos in the drywall on the main floor and acknowledges and agrees that the purchase price [sic] of this property has already factored in this information.

[56] The Laboratory Analysis Report that was included in the supplements confirmed 0.5% asbestos in the main floor drywall compound.

[57] On December 6, 2019, InvestCo made an offer to purchase Property B for \$236,000 cash, subject to no conditions, with a possession date of December 18, 2019. This offer was accepted on December 11, 2019.

[58] Mr. Chavady and his partner subsequently acted in limited dual agency for InvestCo, as seller, and the buyer when InvestCo sold Property B a little more than four months later.

[59] On April 28, 2020, Mr. Chavady and his partner listed Property B for sale with a listing price of \$325,000. The MLS® listing prepared by Mr. Chavady and his partner did not refer to the presence of asbestos or vermiculite.

[60] On April 28, 2020, Mr. Chavady and his partner wrote an offer to purchase Property B for \$320,000 subject to financing on or before April 30, 2020, with a possession date of April 30, 2020. The offer was accepted the same day.

[61] Mr. Chavady did not at any time inform the buyers that Property B contained both asbestos and vermiculite.

Bylaw 701 Violations

[62] The following statements, relating to Bylaw 701 violations, deal specifically with Property B.

[63] In the course of the investigation, Commission staff asked in relation to each property *"If [InvestCo] purchased the property at less than market value, explain how or why they were able to obtain it at that price."*

[64] Mr. Chavady responded on June 17, 2025, stating in part *"this was a bit of a different scenario as we were in a 'presentation of offers' situation. However, prior to putting in an offer, we identified that we believed the property was worth almost*

\$100,000 more than the offer we made, based in part on the home, and in part on the value of the lots in that location.”

- [65] Commission staff also asked *“If [InvestCo] sold a property for more than it paid for it, an explanation of the increase in value for each property.”*
- [66] Mr. Chavady responded on June 17, 2025, stating in part *“The increase in value here is in part due to the good price at which [InvestCo] acquired the property, and in part due to the work [InvestCo] conducted here, including a renovation spanning both the main floor and the basement.”*
- [67] Commission staff also asked for *“An explanation of the steps that you took to fulfil your fiduciary duties to your buyer clients.”*
- [68] Mr. Chavady responded on June 17, 2025, stating in part *“We ensured that we did not represent the interests of either client over the other. ... We did not discover any major material defects at the property. We were not aware or made aware of any latent defects at the property.”*
- [69] Having represented InvestCo in its purchase of Property B, Mr. Chavady was fully aware of the presence of both asbestos and vermiculite, and that the price for which InvestCo was able to obtain Property B reflected this disclosure.

Bylaw 733(a) Violations

- [70] Six of the transactions reviewed by the Commission included Service Agreements.
- [71] Three of these Service Agreements were entered into by both Mr. Chavady and his partner, and three of them just Mr. Chavady.
- [72] All six Service Agreements are missing the client’s address.
- [73] The three entered into by both Mr. Chavady and his partner are also missing the brokerage address.

Summary Statement

- [74] Mr. Chavady acknowledges the extent of the deficiencies in his work, and as a result of that realization he proactively decided to re-educate himself.
- [75] Mr. Chavady successfully completed Residential Real Estate as a Professional Career on November 20, 2025.

REASONS:

- [76] The Investigation Committee and Mr. Chavady considered the following as relevant in agreeing to the within consent order:

Mitigating Factors

- [77] Mr. Chavady has voluntarily re-taken education, completing Residential Real Estate as a Professional Career on November 20, 2025.
- [78] Mr. Chavady signed a Statement of Facts and Admissions acknowledging his errors and has completed a course in ethical decision making in business.

Aggravating Factors

- [79] Mr. Chavady has a previous sanction history.
- In [2017 SKREC 3](#) Mr. Chavady was issued:
 - an order of reprimand and \$350 fine for breach of Section 57(1) of the *Act*;
 - an order of reprimand and \$500 fine for breach of Section 57(2)(a) of the *Act*;
 - an order of reprimand and \$500 fine for breach of Section 57(2)(d) of the *Act*;
 - an order of reprimand and \$750 fine for breach of Section 57(2)(e) of the *Act*; and
 - an order of reprimand and \$1,000 fine for breach of Bylaw 702.
- [80] Mr. Chavady's incredible volume of violations, coupled with his lack of understanding of agency raises serious questions about his competence and understanding of his role as a registrant.

Prior Decisions & Other Considerations

- [81] 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.

[82] 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.

[83] In a Commission investigation involving 147 of Mr. Chavady's transactions:

[84] Mr. Chavady failed to ensure documents relating to a trade in real estate were properly completed with the information required by the legislation, including offers to purchase in 106 transactions and 6 service agreements.

[85] Mr. Chavady has shown a lack of understanding of agency and the obligations arising from an agency relationship by acting as a limited dual agent in 67 transactions in which he failed to meet the obligation to protect and promote the interests of his buyer clients, all of whom purchased the properties sight unseen, by providing no services beyond sending documents for e-signatures.

[86] Mr. Chavady further failed to protect and promote the interests of his clients in 36 transactions in which he acted in limited dual agency by habitually missing the deadline to lift conditions, preparing amendments after the expiry of the contract and then proceeding with the transaction creating risk to both his buyer and seller clients.

[87] Mr. Chavady failed to protect and promote the interests of his buyer and seller clients when, acting in limited dual agency, he prepared and had signed a counteroffer after expiry of the original offer and proceeded with the transaction creating risk to both his buyer and seller clients.

[88] Mr. Chavady, acting in limited dual agency, failed to disclose a known latent defect to his buyer clients who he knew were purchasing the property sight unseen.

[89] Mr. Chavady provided untrue information to the Commission and failed to provide material information to the Commission. Conduct by registrants that is dishonest and limits the Commission's ability to fulfil its investigative duties is taken very seriously and will not be tolerated.

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

[90] Mr. Chavady worked on these transactions with his business partner, Registrant A. There is no evidence to suggest that one registrant was responsible for more of the misconduct than the other.

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

[91] There is no evidence that Mr. Chavady suffered a loss or enjoyed a benefit as a result of his breaches of the legislation.

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

- [92] It is not clear that there is any actual consumer harm arising out of Mr. Chavady's improper drafting of offers to purchase and service agreements, but contracts that do not clearly identify the parties or the terms and conditions pose a risk to the public as a potential source of confusion and disagreement between the parties to a contract.
- [93] The extent of consumer harm arising from Mr. Chavady entering into limited dual agency agreements and failing to represent the interests of, or provide any service at all to, the buyer clients cannot be quantified and is unknown.
- [94] Mr. Chavady caused consumer harm to buyer clients when, acting in limited dual agency and having full knowledge that the property contained asbestos and vermiculite, Mr. Chavady failed to disclose the latent defect.
- [95] Missing deadlines and proceeding with transactions on the basis of amendments which cannot revive a dead contract is negligent and creates significant risk to both the buyers and sellers.
- [96] Providing untrue statements to the Commission, or failing to provide material information to the Commission, interferes with the Commission's ability to regulate the industry and investigate complaints.

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

- [97] Specific deterrence is needed to remind Mr. Chavady of his professional obligations, including competent drafting of documents, agency and representation of clients' interests, disclosure obligations, adherence to deadlines and the necessity of amending contracts prior to the expiry of deadlines.
- [98] Specific deterrence is needed to ensure that Mr. Chavady understands that registrants have a heightened obligation to provide information to their clients when the client is purchasing a property sight unseen and without having any inspections completed.
- [99] Specific deterrence is also needed to remind Mr. Chavady that investigations undertaken by the Commission are to be taken seriously and that providing untrue statements to the Commission or failing to provide material information to the Commission during an investigation will not be tolerated.

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

- [100] General deterrence is needed to remind all registrants of the importance of competent drafting. Both contracts of purchase and sale and agency or service agreements must be complete and clear to prevent confusion or disagreement between the parties.

- [101] General deterrence is also needed to remind all registrants that entering into an agency agreement creates professional obligations of client representation that must be fulfilled.
- [102] General deterrence is needed to ensure that all registrants understand they have a heightened obligation to provide information to their clients when the client is purchasing a property sight unseen and without having any inspections completed.
- [103] General deterrence is further needed to remind all registrants of the importance of paying close attention to timelines and amending contracts prior to the expiration of a deadline.
- [104] Finally, general deterrence is necessary to ensure that all registrants understand that registrant conduct that hinders or interferes with the Commission's ability to regulate the industry and investigate complaints in the public interest will not be tolerated.

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

- [105] Members of the public must be confident that the registrants with whom they are dealing are meeting their professional obligations and the obligations they undertake when they enter into an agency agreement and as part of a trade in real estate. The public must be reassured that when they engage a registrant their interests will be competently represented.
- [106] The public must be reassured that registrants will be diligent when completing paperwork regarding trades in real estate. Members of the public should be able to trust that a registrant will ensure a document is properly drafted and executed.
- [107] The public must also be reassured that the registrants whom they are engaging are competent and conduct themselves with honesty and integrity.

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

- [108] Mr. Chavady's conduct falls below the standard expected of registrants and it was egregious because it illustrates that Mr. Chavady did not understand the obligations of agency or the potential consequences of amending expired contracts. The significant volume of violations illustrates both negligence and a lack of competence, and dishonesty with the regulating body is a serious offence that cannot be tolerated.

9. The range of sanction in similar cases.

A. What is an appropriate sanction for Mr. Chavady's breaches of Section 58(1)(b)?

- [109] Mr. Chavady is charged with 106 violations of Section 58(1)(b) of the Act.

- [110] In *Matharu (Re)*, [2025 SKREC 24](#) (file 2022-39) (“*Matharu*”), Ajit Matharu was issued an order of reprimand and a \$3,000 fine for breaching section 58(1)(b)(ii) of the *Act* by drafting an offer to purchase that did not include the name and address of the buyer. Mr. Matharu was also issued an order of reprimand and a \$25,000 fine for breaching section 39(1)(a) and engaging in conduct that is harmful to the best interests of the public by failing to collect a deposit in accordance with the contract of purchase and sale and failing to advise the listing agent that no deposit had been received.
- [111] Mr. Matharu represented Buyer A who, through his numbered company, sought to purchase a residential property located in Kannata Valley, Saskatchewan from the Sellers. The Sellers had their own agents, Registrant A and Registrant B. Mr. Matharu drafted an offer to purchase on behalf of Buyer A. This offer identified the buyer as “UNDISCLOSED BUYER OR ASSIGNEE” and only stated “SASK” for the address.
- [112] The offer provided for a possession date of July 1, 2022 and the payment of a \$50,000 deposit, which was to be paid to the brokerage by Buyer A on or before June 23, 2022. A Counter Offer was signed moving the possession date to July 15, 2022. Buyer A instructed Mr. Matharu to remove conditions for the property before the deposit had been received. Mr. Matharu followed Buyer A’s instructions to have the conditions removed and sent an email to the Sellers advising that the sale was final. On July 12, 2022, Mr. Matharu received correspondence from the financial institution utilized by Buyer A which stated that the funds were rescheduled for release on or before July 25, 2022. Mr. Matharu forwarded this correspondence to Registrant A, and the Sellers learned from their lawyer that Buyer A lacked the funds to close by July 15th. On July 14th, the parties signed an Amendment to Residential Contract of Purchase and Sale which changed, among other things, the possession date to July 26th, 2022. On July 25, 2022, Buyer A requested another extension to closing, which the Sellers did not accept. On July 31, 2022, Mr. Matharu informed the Sellers’ counsel that he had never received the deposit from Buyer A.
- [113] While Mr. Matharu was cooperative with the investigation, there were many aggravating factors. The Sellers did not discover that the deposit was not being held by the brokerage until after conditions had been removed and shortly before the buyer was supposed to take possession of the property. The buyer likely forfeited the deposit when he failed to complete his purchase of the property after removing conditions, but the sellers’ efforts to collect the deposit were significantly complicated by the fact that no deposit was being held in trust by the brokerage because Mr. Matharu failed to collect it. Mr. Matharu had five previous sanctions.
- [114] Mr. Chavady’s breaches of Section 58(1)(b) of the *Act* are more serious than that of the registrant in *Matharu*. Both registrants have a previous sanction history, however Mr. Matharu’s breach of Section 58(1)(b) related to a single transaction while Mr. Chavady breached the legislation 140 times in 106 transactions

illustrating an habitual ignorance of the legislative requirements of an offer to purchase equating to incompetence.

- [115] In *Fourlas (Re)*, [2019 SKREC 31](#) (file #2018-55) ("*Fourlas*"), Peter Fourlas was issued an order of reprimand and a \$1,000 fine for drafting an offer to purchase that did not include the name of the seller. Mr. Fourlas was representing a buyer in her purchase of a property from a self-represented seller. The first offer Mr. Fourlas drafted did not include the seller's name. In the space where the seller's name was to be noted, Mr. Fourlas wrote "For Sale By Owners". The seller's counter offer included his name in the space where the seller's name is to be noted. Mr. Fourlas drafted a second offer on behalf of his buyer client that did not include the seller's name. This offer was not accepted by the seller. Mr. Fourlas drafted two further offers on behalf of his buyer client that did include the seller's name.
- [116] Mr. Fourlas was cooperative with the investigation.
- [117] Despite the fact that the seller corrected the first offer by adding his name, Mr. Fourlas still wrote a second offer that named the seller only as "For Sale By Owners". Mr. Fourlas was the only registrant involved in the transaction. Registrants must be especially diligent when completing documents when there are no other registrants involved in a transaction to notice or correct any errors.
- [118] Mr. Chavady's breach of Section 58(1)(b) of the *Act* is more serious than that of the registrant in *Fourlas*. While Mr. Fourlas drafted two offers that failed to include the seller's name, Mr. Chavady drafted 106 offers that failed to include all of the information that is legislatively required to be included in an offer to purchase.
- [119] In *Amichand (Re)*, [2018 SKREC 9](#) (file 2016-74) ("*Amichand*"), Mr. Amichand received a \$750 fine and an order of reprimand for his breach of section 58(1)(b)(x). He also received fines for 3 other breaches relating to the transaction.
- [120] In April 2015, the buyers wrote an offer to purchase the property. Mr. Amichand represented the buyers and completed Disclosure of Interest in Trade form in which he disclosed to the buyers that he had an interest in the property. The buyers signed to acknowledge receipt of the disclosure form.
- [121] The offer to purchase did not include the name, address, and telephone number of the brokerage.
- [122] The transaction completed and the buyers took possession of the property.
- [123] Mr. Amichand was co-operative with the investigation, signed a Statement of Facts and Admissions acknowledging his error, and had no previous sanction history.
- [124] The Committee considered as aggravating factors the fact that Mr. Amichand failed to use multiple mandatory forms, the offer he provided to his buyer clients was

lacking several elements required by the *Act*, his interest in the seller corporation, and his capacity as limited dual agent.

- [125] The Committee noted that a registrant's personal involvement in a transaction places a higher onus on that registrant to ensure that all necessary documents are properly completed. The Committee further noted that registrants must be even more diligent when there are no other registrants involved in the transaction, to ensure the information presented to the parties is accurate and the transaction is managed properly.
- [126] Mr. Chavady's breaches of Section 58(1)(b) are more serious than that of the registrant in *Amichand*. While Mr. Amichand was the only registrant involved in the transaction, Mr. Chavady and his co-listing agent were also the only registrants involved in most of their transactions, acting in dual agency for both parties. Mr. Amichand's breach related to a single transaction, while the volume of Mr. Chavady's breaches points to habitual carelessness when drafting contracts.
- [127] In *Morrison (Re)*, [2017 SKREC 1](#) (file #2012-34) ("*Morrison*"), Justin Morrison was issued an order of reprimand and a \$750 fine for breaching s. 58(1)(b)(ii) of the *Act*. Mr. Morrison purchased a property owned by Seller A and Seller B. The property was listed on the Saskatchewan Matrix with a single owner, Seller A. The offer to purchase named Seller A as the sole seller. Both Seller A and Seller B signed the contract as seller.
- [128] Mr. Morrison had no sanction history at the time of the transaction and he was cooperative with the investigation. He signed a Statement of Facts and Admissions acknowledging his mistake. The listing for the property only included the name of one of the two owners and both owners of the property did sign the offer to purchase as sellers.
- [129] Mr. Morrison was a party to the transaction. It is even more important for a registrant to be diligent in completing paperwork when he or she is personally involved in the transaction.
- [130] Mr. Chavady's breach of Section 58(1)(b) of the *Act* is more serious than that of the registrant in *Morrison*. Mr. Chavady has a previous sanction history, and the incredible volume of breaches, 140 violations of Section 58(1)(b) across 106 of 147 transactions reviewed, brings into question Mr. Chavady's competence as a registrant.
- [131] It is important to note that the decisions in *Fourlas*, *Amichand*, and *Morrison* were rendered prior to May 2020. In May of 2020, the provincial legislature amended section 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 from \$25,000 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.

- [132] The scale and nature of Mr. Chavady's breaches of Section 58(1)(b) would make it reasonable to include as one of the sanctions the requirement to re-take the necessary education, and the fact that Mr. Chavady has already voluntarily done so must be taken into consideration.
- [133] Mr. Chavady is charged with breaching Section 58(1)(b) in 106 transactions.
- [134] An order of reprimand and \$3,000 fine per transaction are appropriate sanctions for Mr. Chavady's breaches of Section 58(1)(b).

B. What is an appropriate sanction for Mr. Chavady's breach of Bylaw 701(a)?

- [135] There are many decisions pursuant to Bylaw 701. The following are the most recent and relevant.
- [136] In *Kundra (Re)*, [2025 SKREC 28](#) (file 2024-43) ("*Kundra*"), Sagar (Sean) Kundra was issued an order of reprimand, a \$6,000 fine, and his certificate of registration was suspended for 30-days for breaching Bylaw 701 by making an untrue statement to Commission staff. Mr. Kundra also received a \$4,000 fine for breaching Bylaw 702.1 by acting in a manner that was disgraceful, unprofessional or unbecoming of a registrant in the course of his practice.
- [137] The Commission received a complaint that Mr. Kundra had offered to pay the Account Manager of a digital marketing firm to tamper with two competitors' Google Business pages. During the investigation, Mr. Kundra told the Review Officer that the email sent by the Account Manager was false and the screenshots he shared were forged. Mr. Kundra told the Review Officer: "You can easily imagine how easy it is to create these kinds of proofs in the new era of artificial intelligence." The Review Officer requested that Mr. Kundra provide copies of all correspondence between himself and the Account Manager. Mr. Kundra provided a copy of the WhatsApp chat between himself and the Account Manager, which confirmed that he did in fact offer to pay the Account Manager to tamper with certain Google Business Profiles.
- [138] The Hearing Committee considered as a mitigating factor that Mr. Kundra had no previous sanction history. Also, the comments made by Mr. Kundra to the Account Manager, although unprofessional and unbecoming of a registrant, were made in a private conversation and were not made to clients, the public or other registrants and were made in response to a threat from the Account Manager and the deterioration of a business relationship. Although Mr. Kundra provided an untrue statement to the Review Officer, he was responsive to requests for information and

was forthcoming with documents. Mr. Kundra acknowledged his violations of Bylaws 701 and 702.1.

- [139] The fact that Mr. Kundra made an untrue statement to a Review Officer about a material fact was considered an aggravating factor. Registrant conduct that interferes with the Commission's ability to regulate the industry and investigate complaints in the public interest is a serious issue. Mr. Kundra also employed an unfair business practice by offering to pay someone to tamper with his competitors' Google Business pages.
- [140] Mr. Chavady's breach of Bylaw 701(a) is similarly serious to that of the registrant in *Kundra*. Both registrants provided untrue statements to Commission staff during the course of an investigation. Registrant conduct which negatively impacts the Commission's ability to properly investigate complaints is a very serious violation and will not be tolerated. While Mr. Kundra had no previous sanction history, Mr. Chavady does have a sanction history.
- [141] In *Islam (Re)*, [2025 SKREC 27](#) (file 2024-08) ("*Islam*"), Mian Nadeem Islam was issued an order of reprimand and a \$5,000 fine for breaching Bylaw 701 by making an untrue statement to Commission staff. Mr. Islam also received a \$3,000 fine for breaching section 55(2) of the *Act* by creating an advertisement that failed to include the name of his brokerage.
- [142] The Commission received a complaint that Mr. Islam was acting as a manager of certain property. During the course of the investigation, Mr. Islam told Commission staff that he had not advertised the property for rent or shared any social media posts about the property. Commission staff learned that Mr. Islam had created an advertisement for a rental property in a Facebook group. Commission staff sent this advertisement to Mr. Islam requesting an explanation in light of his previous statement that he had not advertised the property for rent or shared any social media posts about the property. Mr. Islam responded to Commission staff and said that he posted this in his private life, and that he did not need to disclose this to the Commission. The Hearing Committee disagreed with Mr. Islam's position.
- [143] Mr. Islam had no prior sanction history, however he was not cooperative with the investigation.
- [144] Mr. Chavady's breach of Bylaw 701(a) is similarly serious to that of the registrant in *Islam*. Both registrants provided untrue statements to the Commission in the course of an investigation. Again, Mr. Chavady has a previous sanction history while Mr. Islam did not.
- [145] In *Hnatiuk (Re)*, [2025 SKREC 8](#) (file 2022-60) ("*Hnatiuk*"), Reagan Hnatiuk was issued an order of reprimand and a \$6,000 fine for making untrue statements to the Commission. Mr. Hnatiuk also received an order of reprimand and a \$3,000 fine for violating Bylaw 702.1.

- [146] On September 6, 2022, Seller A signed a Seller's MLS® Brokerage Contract listing the property for sale. The asking price was \$34,700, with a \$4,500 commission to the seller's brokerage and a \$2,000 commission to the buyer's brokerage. Mr. Hnatiuk was the listing agent.
- [147] On October 2, 2022, Buyer B wrote an offer to purchase the property. Seller A made a statement to the Commission that she noticed the commission that Mr. Hnatiuk was charging after signing all the sale documents. On October 20, 2022, Seller A sent a text message to Mr. Hnatiuk stating "Hey regan. Your commission is still \$5,000 even though it only sold for \$28,000?" Mr. Hnatiuk replied the same day via text, stating: "The other agent is taking most of that. I don't have a choice. It's a flat fee. If it was all just me I could have given you a deal."
- [148] Concern arose about whether Buyer B was going to complete the purchase of the property. Seller A provided the Commission with an updated text conversation with Mr. Hnatiuk, where he explained to her that the original buyers had to buy the property or they would lose their \$3,000 deposit to her. Seller A responded "of which you get \$1500m?*" Mr. Hnatiuk responded "I don't get any of the deposit. It's all yours." Seller A also provided the Commission with a recording of a telephone conversation with Mr. Hnatiuk in which Mr. Hnatiuk again stated that Seller A would get the full \$3,000 deposit.
- [149] Buyer B failed to complete the purchase of the property and forfeited her deposit. The brokerage collected \$1,351.35 and paid \$574.18 to Mr. Hnatiuk after the brokerage split, taxes and expenses. On October 31, 2022, a cheque was issued to Seller A in the amount of \$1,351.35 for the remaining amount of the forfeited deposit.
- [150] Mr. Hnatiuk provided conflicting statements to the Commission with respect to the payout of the deposit. On April 28, 2023, Mr. Hnatiuk provided a statement to the Commission that he told Seller A she would receive a portion of the deposit. Seller A provided both text and telephone recordings that show Mr. Hnatiuk told her she would receive the full deposit.
- [151] On May 16, 2023, Mr. Hnatiuk provided a statement to the Commission that a representative of the brokerage called him about the deposit and the decision was made mutually that a portion of the deposit would go to the brokerage.
- [152] Commission staff sent a letter to Broker D, Mr. Hnatiuk's broker, asking him to clarify who made the decision to split the deposit. Broker D responded, stating that the decision to claim half of the deposit was made by Mr. Hnatiuk alone.
- [153] There were no mitigating factors.
- [154] Aggravating factors were that Mr. Hnatiuk had been registered as a salesperson almost continuously since August 22, 2012, and had a previous sanction history.

- [155] Mr. Chavady's breach was similarly serious to that of the registrant in *Hnatiuk*. Both Mr. Chavady and Mr. Hnatiuk provided untrue statements to the Commission in the course of an investigation, and both registrants had a previous sanction history.
- [156] Registrant conduct that is dishonest and interferes with the Commission's ability to regulate the industry and investigate complaints is a serious matter. Such conduct will not be tolerated and will be heavily sanctioned.
- [157] An order of reprimand, a \$6,000 fine, and suspension of his certificate of registration are appropriate sanctions for Mr. Chavady's breach of Bylaw 701(a).

C. What is an appropriate sanction for Mr. Chavady's breach of Bylaw 701(b)?

- [158] While there are many decisions pursuant to Bylaw 701(a), there is only one decision where a registrant omitted to provide material information to the Commission in breach of Bylaw 701(b).
- [159] In *Tomyn (Re)*, [2020 SKREC 10](#) (file 2019-58) ("*Tomyn*"), Shawn Tomyn was issued an order of reprimand and a \$3,000 fine and his certificate of registration was suspended for a period of 30 days.
- [160] Mr. Tomyn wrote an offer to lease on behalf of his client. The offer stated that the tenant was to pay a deposit to Mr. Tomyn's brokerage within five business days of acceptance of the offer. The tenant wrote a deposit cheque that was deposited into the brokerage's trust account. The deposit cheque was returned NSF. Mr. Tomyn called the tenant to ask what had happened, but did not contact the landlord or the listing agent to advise that the cheque had been returned. Mr. Tomyn obtained a replacement cheque from the tenant that was deposited into the brokerage's trust account. In his initial response to the complaint, Mr. Tomyn did not make reference to the second deposit cheque. After learning that an administrator at his brokerage had provided information to the Commission that made reference to the second cheque, Mr. Tomyn provided a revised response to Commission staff that included information about the second deposit cheque. The tenant decided not to proceed with the transaction. Mr. Tomyn sent an email to his brokerage directing the return of the tenant's deposit. Two days after the deposit cheque was returned to the tenant, Mr. Tomyn advised the registrant representing the landlord that the tenant would not be proceeding with the transaction. The listing agent requested that Mr. Tomyn's brokerage retain the deposit as the landlord intended to claim entitlement to it. Mr. Tomyn thereafter advised the listing agent that the tenant's deposit cheque had been returned NSF. This was the first the listing brokerage had heard about the returned cheque and Mr. Tomyn did not mention the second deposit cheque that had been obtained and returned to the tenant.
- [161] Mr. Tomyn did not have a previous sanction history. This occurred at a time when the coronavirus pandemic had a significant and largely negative impact on the real estate market and on registrants' incomes generally.

[162] Mr. Tomy appeared to have deliberately withheld material information from the Commission. Registrant conduct that interferes with the Commission's ability to regulate the industry and investigate complaints in the public interest is a serious issue.

[163] Mr. Chavady's breach of Bylaw 701(b) is more serious than that of the registrant in *Tomy*. Not only did Mr. Chavady omit a material fact in his statements to the Commission, but Mr. Chavady omitted to disclose his knowledge of a material latent defect to his buyer client while acting in limited dual agency. Mr. Chavady's omission both impeded the Commission's ability to investigate the complaint against him, and denied his buyer client the ability to make an informed decision on whether to proceed with the purchase of the property. The property in question contained asbestos and vermiculite, which Mr. Chavady had received full disclosure of. The buyer client proceeded with the transaction with no knowledge of the latent defects to the property.

[164] An order of reprimand, \$6,000 fine and suspension of his certificate of registration are appropriate sanctions for Mr. Chavady's breach of Bylaw 701(b).

D. What are the appropriate sanctions for Mr. Chavady's breaches of Bylaw 702?

[165] Commission Bylaw 702 requires a registrant to protect and promote the interests of their client. This bylaw encompasses a wide range of violations and Mr. Chavady's conduct has violated Bylaw 702 in four different ways, each of which are addressed separately.

1) 67 Counts of General Failure to Represent Buyer Clients in Limited Dual Agency

[166] In *Puterbaugh (Re)*, [2023 SKREC 6](#) (file 2023-55) ("*Puterbaugh*"), Nicole Puterbaugh was issued an order of reprimand and a \$2,000 fine for breach of Bylaw 702, she also received an order of reprimand and \$2,000 fine for breach of Section 58(1)(a) and (3) of the Act.

[167] Ms. Puterbaugh represented the owners of a cabin. Ms. Puterbaugh, acting in limited dual agency, represented the first buyer in writing an offer to purchase the property. Ms. Puterbaugh presented the first buyer's offer to her seller clients, who advised that they would accept the offer but could not sign it for almost two weeks. She reported this back to the first buyer and congratulated him on his purchase of the cabin, though she did not tell him that the deal was done because the contract was not yet signed. The sellers had a walk through with the first purchaser, but Ms. Puterbaugh advised him that the sellers were not prepared to sign the contract yet. The next day, the second purchasers wrote an offer to purchase the property. Ms. Puterbaugh also represented the second purchasers in limited dual agency. The first purchaser was given an opportunity to revise his offer in light of the new offer, which he did, but the sellers ultimately accepted the second purchasers' offer. Ms.

Puterbaugh did not advise the first purchaser that she was also acting for a competing buyer.

- [168] Ms. Puterbaugh was cooperative with the investigation and had no previous sanction history.
- [169] Ms. Puterbaugh has been a registrant since 2014. She represented two competing buyers without disclosing her conflict of interest. She was also representing the buyers and sellers as a limited dual agent. Registrants must be even more diligent when there are no other registrants involved in a transaction to ensure the paperwork is properly completed and the transaction is managed properly.
- [170] In *Swartz (Re)*, [2017 SKREC 6](#) (file 2013-31) (“*Swartz*”), Kelly Swartz, received an order of reprimand and \$1000 fine for a breach of Bylaw 702. Ms. Swartz also received an order of reprimand and \$1,500 fine for a breach of Bylaw 715.
- [171] Ms. Swartz was engaged as a limited dual agent in a transaction for a residential property. The Property Condition Disclosure Statement completed by the sellers stated that they were not aware of any roof leaks or unrepaired water damage, but that the roof needed shingling. The buyer did not request, nor was she provided, the Property Condition Disclosure Statement. Ms. Swartz was aware of the obvious water stains on the walls and ceilings of the second floor, but did not discuss them with the sellers or with the buyer.
- [172] Ms. Swartz advised the buyer that the roof did not leak yet, but that it needed attention, and stated that she thought it would last through the winter. The buyer, who was moving from out of province, did not view the property prior to purchase. The buyer looked at the MLS® listing relating to the property, but this did not include photos of the second floor. The buyer did not request a home inspection or any other professional assessment of the property. The parties entered into an agreement for sale.
- [173] After several months of occupying the property, the buyer complained that the roof was in extremely poor condition on arrival, sagging in many places and leaking after rainfall. She also stated that most of the windows did not open, and that there was mold in the walls and ceilings. The buyer ultimately abandoned the property and moved away from the province. The buyer filed a statement of claim against the sellers and Ms. Swartz. Ms. Swartz was found to have made a negligent misrepresentation in stating that the roof did not leak yet and paid the judgment against her.
- [174] Ms. Swartz represented both parties to the trade. The Hearing Committee found that “[registrants] must be extra careful to protect and promote the interests of the client when they are acting as a limited dual agent.” It is especially important to be diligent when obtaining information about the property. The Hearing Committee also considered that the buyer did not view the property or undertake any

inspections prior to purchase, but relied entirely on information and representations from Ms. Swartz.

- [175] Ms. Swartz had no previous sanction history, was co-operative with the investigation, and acknowledged her misconduct by signing a Statement of Facts and Admissions. When the extent of the property damage was discovered, she offered to assist the Buyer in selling the property at no cost. Ms. Swartz also paid the civil judgment against her, which was for 25% of the buyer's losses (\$1,439.25).
- [176] Given the change to the legislation in May of 2020, as outlined previously, the fines suggested in this sanction recommendation will be higher than in *Swartz* which pre-dates this legislative amendment.
- [177] Mr. Chavady's breach of Bylaw 702 was significantly more serious than those of Ms. Puterbaugh and Ms. Swartz. In both of the above noted decisions, while the registrants in *Puterbaugh* and *Swartz* both ultimately failed to represent the best interests of their buyer clients, both registrants did engage with their buyer clients throughout the process of the transactions and were each involved in just a single transaction. Although Ms. Puterbaugh was registered as a broker, she had no previous sanction history, and the consumer harm arose as a result of Ms. Puterbaugh acting in limited dual agency for two competing buyers without disclosing this to her first buyer. In *Swartz*, the Hearing Committee took into account that Ms. Swartz had already paid an award of damages against her from the civil judgment relating to her transaction, offered help to the buyer when the extent of the property damage was discovered and offered to assist the buyer to sell the property at no cost, reducing the sanction ordered against her.
- [178] Mr. Chavady entered into limited dual agency agreements on 67 separate transactions, and failed to engage in any meaningful way with any of his buyer clients. Mr. Chavady merely provided transaction documents by email for e-signing, providing no advice or explanation of the documents to his buyer clients, who he knew were purchasing these properties sight unseen.
- [179] Further, the buyer clients in each of the 67 transactions signed an Ancillary Services form declining any inspections. Although he did not provide any explanation of risk, Mr. Chavady had the buyers in all 67 transactions initial the statement on the Ancillary Services forms that said "The Buyer's Brokerage has explained the potential implications of not completing any of the above inspections or reports and the Buyer has chosen to decline them."
- [180] The Hearing Committee in *Puterbaugh* stated that "[registrants] in limited dual agency must be especially diligent in protecting and promoting the interest of their clients, as there is no other registrant involved in the transaction to ensure adherence to the legislation."

- [181] The concept of agency is one of the most fundamental pillars of the real estate industry. Entering into an agency relationship gives rise to the obligation to represent the client's best interests and to act fairly to all parties. Mere provision of documents to e-sign does not fulfil these obligations. It is imperative that members of the public be able to place their trust in registrants and rely on this agency relationship to protect their best interests.
- [182] Mr. Chavady has habitually entered into limited dual agency agreements with no consideration for the obligations that arise in doing so, leaving his buyer clients in much the same position they would be if they were completely unrepresented by a registrant. Mr. Chavady's systemic failure to understand the nature of agency and to represent the interests of his buyer clients is appalling and a breach of such significance calls into question his competence.
- [183] Mr. Chavady failed to represent the interests of his buyer clients in limited dual agency in 67 transactions.
- [184] An order of reprimand, suspension of his certificate of registration, and \$5,000 fine per transaction are appropriate sanctions for Mr. Chavady's breach of Bylaw 702 for failure to represent his buyer clients while acting in dual agency.

2) 36 Counts of Failure to Remove Conditions Prior to Expiry of the Deadline

- [185] In *Harvey (Re)*, [2022 SKREC 8](#) (file 2022-08) ("*Harvey*"), Mariel Harvey was issued an order of reprimand and a \$3,000 fine.
- [186] Ms. Harvey represented a buyer client. Ms. Harvey's buyer client had written an offer to purchase a property that was made subject to several conditions, including that the buyer obtain financing on or before March 4, 2022. There were some delays in arranging for financing, but the buyer ultimately received confirmation from the mortgage broker that she had been approved for financing on March 4. Ms. Harvey drafted a Notice to Remove Conditions for the buyer to sign. However, Ms. Harvey mistakenly failed to include the financing condition on this form. The form was signed and sent to the listing agent and Ms. Harvey texted the buyer to advise that she had just bought a house. On March 7, 2022, the listing brokerage's conveyancing department reviewed the removal of conditions and noticed that the financing condition had not been removed. The buyer's purchase of the property collapsed and a previously-accepted back-up offer came into place.
- [187] Mr. Chavady's breach of Bylaw 702 is more serious than that of the registrant in *Harvey*. While the buyer's purchase of the property collapsed due to Ms. Harvey's error, this was a single transaction, Ms. Harvey did not have a previous sanction history with the Commission and she was cooperative with the investigation. She also acknowledged her error and apologized to her client.
- [188] Mr. Chavady has failed to remove conditions prior to the deadline for removal in 36 transactions. He then had the parties sign amendments, purporting to extend

the deadlines after the contracts had already expired and continued with the transactions, creating risk to both his buyer and seller clients in every transaction. Mr. Chavady's conduct has established a pattern of behaviour that illustrates either lack of knowledge, or a complete disregard for the risk this practice creates for his clients.

- [189] While the following decision was rendered pursuant to Bylaw 731, the facts are directly relatable.
- [190] In *Bhowmick (Re)*, [2025 SKREC 20](#) (File 2025-49) ("*Bhowmick*"), Sushanta Bhowmick received an order of reprimand and \$3,000 fine for breaching Commission Bylaw 731 by failing to ensure that the "Notice to Remove Condition(s) on Residential Purchase and Sale" form was properly completed to remove the applicable conditions on or before expiry date of the conditions on an offer and delivered to all parties to the trade as soon as reasonably possible after execution of the document.
- [191] Mr. Bhowmick represented the buyer in a contract of purchase and sale that was subject to a home inspection condition. The deadline to remove conditions was September 13, 2024. The home inspection took place on September 9, 2025 and raised several issues with the property, with the result that the buyer wanted to negotiate a price reduction. The buyer and seller agreed in principle to a price reduction and Mr. Bhowmick prepared an Amendment and Notice to Remove Conditions ("NRC"). The buyer signed both on September 13, 2024. Mr. Bhowmick then sent the Amendment to the sellers agent, and the seller refused to sign because he wanted to remove additional terms from the contract for sale. Mr. Bhowmick did not send the NRC because he was waiting for the amendment to be signed by the seller.
- [192] From September 13-17 the seller's agent attempted to convince the seller it was in his best interest to sign the amendment and proceed with the sale. On September 17, 2024 the seller informed his agent that he was not proceeding with the sale and the agent informed Mr. Bhowmick. Mr. Bhowmick informed the seller's agent that the buyers were going ahead with the original contract and sent the seller's agent the NRC. The seller refused to complete the sale and pointed to the fact that the condition removal deadline had passed without receipt of the NRC and thus the contract was no longer valid. The sale was not completed.
- [193] Mr. Chavady's breach of Bylaw 702 is more serious than Mr. Bhowmick's breach of Bylaw 731. Mr. Bhowmick was co-operative with the investigation and had no previous sanction history, and his breach involved a single transaction. Mr. Chavady has a previous sanction history and has established a pattern of negligent conduct over 36 transactions.
- [194] In *Bhowmick*, even though the condition removal was signed prior to the deadline, it was not delivered by the deadline and this contributed to the collapse of the transaction. The *Bhowmick* decision highlights the importance of ensuring that

conditions are removed, or an amendment is signed by both parties extending the deadline, prior to the condition removal deadline. Proceeding with an amendment after expiry of the contract creates significant risk to both parties.

[195] Mr. Chavady failed to remove conditions prior to expiry of the deadline in 36 transactions.

[196] An order of reprimand, suspension of his certificate of registration, and \$3,000 fine per transaction are appropriate sanctions for Mr. Chavady's breach of Bylaw 702 for failure to remove conditions prior to expiry of the deadline.

3) Signing a Counter-Offer After the Expiry date

[197] While there are no previous decisions that specifically deal with signing a counter-offer after the expiry of the deadline in the offer to purchase, the *Harvey* and *Bhowmick* decisions, *supra*, are directly relatable and the same concepts and argument apply to this breach of Mr. Chavady's.

[198] Mr. Chavady represented both parties in limited dual agency for this transaction. Registrants acting in limited dual agency must be especially diligent in preparation of documents and adherence to timelines as there is no other registrant involved in the transaction to ensure adherence to the legislation and protection of client interests. Proceeding on the basis of an expired contract creates significant risk to both parties.

[199] An order of reprimand and \$3,000 fine are appropriate sanctions for Mr. Chavady's breach of Bylaw 702 by preparing and having signed a counter-offer after the expiry of the deadline in the offer to purchase.

4) Failure to Disclose Known Latent Defect

[200] This charge relates to a specific transaction in which Mr. Chavady was acting in limited dual agency for the seller and the buyer. Mr. Chavady had previously represented the seller in their purchase of the property, and through that transaction received full disclosure that the property contained both asbestos and vermiculite. The purchase of the property was subject to the inclusion of a Schedule A that clearly stated the property was sold in an "as-is" state and the price was already reduced to take into account the presence of asbestos and vermiculite. Mr. Chavady's client then sold the property little more than 4 months later at a significant price increase, which was not disclosed to the new buyer. During this subsequent sale of the property, Mr. Chavady also failed to disclose the presence of asbestos and vermiculite to the new buyer.

[201] In *Swartz, supra*, Ms. Swartz was engaged as a limited dual agent in a transaction for a residential property and was aware of the obvious water stains on the walls and ceilings of the second floor, but did not discuss them with the sellers or with the buyer.

- [202] Ms. Swartz advised the buyer that the roof did not leak yet, but that it needed attention, and stated that she thought it would last through the winter. The buyer, who was moving from out of province, did not view the property prior to purchase.
- [203] After several months of occupying the property, the buyer complained that the roof was in extremely poor condition on arrival, that most of the windows did not open, and that there was mold in the walls and ceilings.
- [204] Ms. Swartz represented both parties to the trade. The Hearing Committee found that “[registrants] must be extra careful to protect and promote the interests of the client when they are acting as a limited dual agent.” It is especially important to be diligent when obtaining information about the property. The Hearing Committee also considered that the buyer did not view the property or undertake any inspections prior to purchase, but relied entirely on information and representations from Ms. Swartz.
- [205] Mr. Chavady’s breach is more serious than that of the registrant in *Swartz*. While both registrants represented their buyer clients in limited dual agency and both buyers purchased the properties sight unseen and without inspections, Ms. Swartz did alert her buyer client to an issue, although she misrepresented the extent of the issue. Mr. Chavady was fully aware of a material latent defect in the property as well as the effect that defect had on the price at which his seller client acquired the property. Mr. Chavady did not disclose the presence of asbestos and vermiculite to his buyer client during the subsequent sale, nor did he disclose the fact that the seller had purchased the property just 4 months prior for \$84,000 less than they were now selling it for.
- [206] In *Byman (Re)*, [2019 SKREC 16](#) (File 2017-41) (“*Byman*”), Susanne Byman was issued an order of reprimand and a \$1,000 fine.
- [207] Ms. Byman had listed the property for sale. She and her seller client did not discuss the Quill Lakes, but they did discuss concerns of flooding on the property caused by the body of water that emptied into the nearby Little Quill Lake. The seller told Ms. Byman the creek would come up in the spring and go down during the summer. Ms. Byman understood that there were flooding issues in the Big Quill Lake area, specifically around Dafoe, which is a 45-minute drive from the property. She understood that creeks running into Little Quill Lake caused flooding in some areas of the east side of the lake for short periods of time during the spring.
- [208] During a showing of the property, Ms. Byman and her buyer clients discussed the creek that ran along the property. She told the buyers that the two Quill Lakes were virtually one now, but that the lake visible from the property was Little Quill Lake. The creek was fairly full at the time of the showing. Ms. Byman advised that the property boundaries were beginning to flood, but cattle would walk across the creek in the fall. She did not discuss the general flooding in the Quill Lakes region with the buyers because her concern was the creek which ran along the side of

the property. The buyers purchased the property and took possession. Upon arriving at the property, the buyers observed that the creek was flooding to the point where the property boundaries were beginning to flood and the residence was only a couple of feet above the shore. There has been a significant issue with flooding in the Quill Lakes region for some time. This flooding has been the subject of a Flood Mitigation Report by the Saskatchewan Water Security Agency and a series of articles published by the CBC.

- [209] Ms. Byman was representing both parties as a limited dual agent. Registrants in limited dual agency must be especially diligent in protecting and promoting the interests of their clients, as there is no other registrant involved in the transaction to notice or correct any errors.
- [210] Mr. Chavady's breach is more serious than that of the registrant in *Byman*. Ms. Byman had no previous sanction history, was co-operative with the investigation and had been registered for less than three years at the time of the transaction. Mr. Chavady has a previous sanction history and has been a registrant since 2007. The flooding at issue in *Byman* had been reported on by a news source and was publicly available information, while the asbestos and vermiculite that Mr. Chavady failed to disclose was a latent defect of which he had full knowledge and that the buyer could not have discovered on their own.
- [211] In *Harbottle (Re)*, [2018 SKREC 16](#) (File 2017-20) ("*Harbottle*"), June Harbottle was issued an order of reprimand and ordered to pay a \$2,000 fine.
- [212] Ms. Harbottle listed the property for sale. At the time of the listing, the property was owned by Owner 1 and Owner 2. Owner 1 had passed away several years prior, but remained on title, and Owner 2 passed away a few months after the property was listed for sale. Ms. Harbottle continued to deal with the children of Owner 2 who had been named as executors of Owner 2's estate. Ms. Harbottle believed that a copy of Owner 2's death certificate and the page of Owner 2's will that named his children as executors were sufficient authority to proceed with the listing and sale of the property.
- [213] Ms. Harbottle also represented the buyers. She did not tell her buyer clients that Owner 2 had passed away or that the property would have to go through probate before they signed the offer to purchase the property. Ms. Harbottle did not know that the property was in probate until after the buyers had removed conditions and the paperwork was sent to the lawyers. Two days before the scheduled possession date, the buyers were sent a Tenancy at Will Agreement which they were required to sign in order to take possession of the property.
- [214] Mr. Chavady's breach was more serious than that of the registrant in *Harbottle*. Ms. Harbottle had no previous sanction history and was co-operative with the investigation. At the time of the transaction, she believed she was doing everything right. Ms. Harbottle signed a Consent Order acknowledging her error. Mr. Chavady has a previous sanction history.

- [215] Both Mr. Chavady's and Ms. Harbottle's breaches occurred while representing both parties as a limited dual agent. Registrants in limited dual agency must be especially diligent in protecting and promoting the interests of their clients, as there is no other registrant involved in the transaction to notice or correct any errors.
- [216] While there was actual consumer harm in *Harbottle*, as the buyers' purchase of the property was complicated by the legal consequences of the death of an owner of the property and the buyers were not made aware of the death or its potential impact in a timely manner, the property was ultimately transferred to the buyers. Mr. Chavady's conduct also caused actual consumer harm by removing his buyer's ability to make an informed decision about the property prior to purchasing it. The buyer now owns an investment property containing asbestos and vermiculite.
- [217] While the following decision was rendered pursuant to Section 65(4)(c) of the *Act*, the facts are similar and the decision is directly relevant to the present matter.
- [218] In *Borines (Re)*, [2024 SKREC 6](#) (File 2023-15) ("*Borines*"), Ronald Borines was issued an order of reprimand and a \$4,000 fine for breaching Section 65(4)(c) of the *Act* by trading in real estate in which he had a material interest and failing to disclose information within his knowledge that could materially affect the value of the real estate.
- [219] Mr. Borines, as owner of a property, completed a renovation of the property which included the addition of a non-legal basement suite.
- [220] Mr. Borines listed the property for sale and filled out a Disclosure of Interest in Trade form. Mr. Borines' listing advertised the property as having a non-conforming basement suite. Mr. Borines did not obtain permits for the renovations, and did not disclose that permits were not obtained.
- [221] The property sold and 2 days after possession Mr. Borines received a letter from the City of Saskatoon requiring a zoning inspection of the property as a result of a complaint. Mr. Borines did not advise the buyers of the letter. The City followed up with the buyers and performed an inspection. As a result of the inspection the buyers were required to either incur the extra costs to make the suite legal or the extra costs to get rid of the suite altogether.
- [222] Mr. Chavady's breach is similarly serious to that of the registrant in *Borines*. Although Mr. Borines had no previous sanction history, he was personally involved in the transaction and his breach resulted in financial consequences for the buyers. Mr. Chavady's breach also caused consumer harm as his buyer clients now own an investment property containing asbestos and vermiculite which they were unaware of at the time of the transaction. Mr. Chavady was representing both the buyer and seller in limited dual agency, his failure to disclose information he knew about the latent defect was purposeful and resulted in his buyer client paying significantly more than the seller had paid for the property a mere 4 months prior.

[223] Given the change to the legislation in May of 2020, as outlined previously, the fines suggested in this sanction recommendation will be higher than those found in the precedents that pre-date this legislative amendment.

[224] An order of reprimand, suspension of his certificate of registration, and \$4,000 fine are appropriate sanctions for Mr. Chavady's breach of Bylaw 702 for failure to disclose a material latent defect while representing his clients in limited dual agency.

E. What is an appropriate sanction for Mr. Chavady's breaches of Bylaw 733?

[225] There are no previous decisions pursuant to Bylaw 733. However, since Bylaw 733 and Section 57 of the *Act* work in conjunction to specify the criteria required for agency agreements, the following decisions pursuant to Section 57 of the *Act* are directly relatable.

[226] In *Chavady (Re)*, [2017 SKREC 3](#) (file 2013-39) ("*Chavady*"), and the related file *Hallgrimson (Re)*, [2017 SKREC 4](#) (file 2013-39A) ("*Hallgrimson*"), Mr. Chavady and Mr. Hallgrimson were each issued an order of reprimand and \$350 fine for breaching Section 57(1) of the *Act*, an order of reprimand and \$500 fine for breaching Section 57(2)(a) of the *Act*, an order of reprimand and \$500 fine for breaching Section 57(2)(d) of the *Act*, and an order of reprimand and \$750 fine for breaching Section 57(2)(e) of the *Act* when they failed to ensure documents relating to trades in real estate were properly completed. Both registrants also received letters of reprimand and \$1,000 fines for breaching Bylaw 702.

[227] Mr. Hallgrimson and Mr. Chavady represented the sellers of a property. Mr. Chavady and Mr. Hallgrimson prepared a document for Seller A to sign that would give Seller B legal authority to sign on Seller A's behalf in matters regarding the sale of the property. Seller A did not sign this document.

[228] Seller A was not listed as a seller on the agency agreement. When Seller A signed the agency agreement, the contract did not contain the date on which the agreement became effective, nor did it contain an expiry date. The agency agreement specified that, in the event of a private sale, the commission payable would be \$2,000 plus tax, to be reduced by 25% if the buyer was also represented by the Seller's Brokerage. Seller A signed the agency agreement and returned it to Mr. Chavady and Mr. Hallgrimson. At this time, Mr. Chavady and Mr. Hallgrimson filled in the effective and expiry dates and someone signed as witness to Seller A's signature. Mr. Chavady and Mr. Hallgrimson did not provide a copy of the completed contract to Seller A. Seller B did not sign the agency agreement.

[229] Other documents were completed that did not list Seller A as a seller. Seller A signed these documents, but Seller B did not.

- [230] An Amendment of a Seller's Brokerage Contract was completed reducing the asking price for the property. This document did not list Seller A as a seller, nor did she sign this document. The Amendment was signed by Seller B. Mr. Chavady and Mr. Hallgrimson did not speak to Seller A about reducing the asking price.
- [231] Mr. Chavady and Mr. Hallgrimson were contacted by Seller A who told them that she was not happy about lowering the asking price. The sellers could not agree on how to proceed with the listing and ultimately decided they wanted the listing removed from the market. The listing was cancelled.
- [232] Mr. Chavady and Mr. Hallgrimson did not have previous sanction histories and both were co-operative with the investigation. Both acknowledged their errors and displayed remorse for the distress their conduct caused the sellers. There is no evidence that either benefited from their breaches of the legislation. There is minimal evidence of consumer harm because the listing did not result in a sale and the registrants agreed to cancel the listing.
- [233] The agency agreement forms the basis of the agency relationship between seller and brokerage. This agreement also entitles the brokerage to commission payable by the seller, so it is critical that all terms and conditions be clearly and correctly set out in the document. It is never appropriate for a registrant to add information to a document after a client has signed it. Several documents were signed by only one of the two sellers.
- [234] Mr. Chavady's breaches of Bylaw 733 are more serious than his previous breaches of Section 57 of the *Act*. While Mr. Chavady's previous breaches related to a single transaction, these current breaches relate to multiple transactions illustrating a pattern of behavior that consistently breaches the legislation.
- [235] In *Jacobucci (Re)*, [2019 SKREC 37](#) (file 2018-29) ("*Jacobucci*"), Mr. Jacobucci was issued an order of reprimand and a \$1,000 fine for breaching Section 57(2)(c) of the *Act* when he inadvertently entered a date wrong resulting in an agency agreement that was to be effective for longer than one year in violation of the legislation.
- [236] Mr. Jacobucci represented the seller of properties. On August 2, 2016, the seller signed an agency agreement with Mr. Jacobucci that was to be effective from August 2, 2016 until August 11, 2017. Mr. Jacobucci inadvertently showed the listing date as August 2, it was his intention to list the properties for less than one year from August 12, 2016 until August 11, 2017.
- [237] Mr. Jacobucci had been registered with the Commission since 1978.
- [238] Mr. Jacobucci was acting as a limited dual agent.
- [239] Mr. Jacobucci had a previous sanction history, but the conduct giving rise to the current complaint occurred before the decision in the previous case was rendered.

- [240] Mr. Chavady's breach is more serious than that of the registrant in *Jacobucci*. Mr. Jacobucci made an inadvertent mistake on the agency agreement for one transaction while Mr. Chavady has illustrated a pattern of behaviour by failing to include required information in 6 separate service agreements. Mr. Jacobucci did not have a sanction history prior to his breach, while Mr. Chavady received multiple fines and reprimands for essentially the same breaches as the current matter.
- [241] Given the change to the legislation in May of 2020, as outlined previously, the fines suggested in this sanction recommendation will be higher than those found in the precedents that pre-date this legislative amendment.
- [242] Mr. Chavady is charged with 6 counts of violating Bylaw 733. A letter of reprimand and \$3,000 fine per count are appropriate sanctions for Mr. Chavady's breaches of Bylaw 733.

GLOBAL CONSIDERATION

- [243] As Mr. Chavady has been charged with a substantial number of breaches of the legislation, the sanctions for each individual breach added together far exceeds the global aggregate limit set by the legislation. Considering the nature of the breaches along with the extensive volume of breaches and the legislated aggregate limit, it is appropriate to apply a global sanction.

CONSENT ORDER:

- [244] In accordance with *The Real Estate Act*, its Regulations, and the Commission Bylaws, and with the consent of Mr. Chavady, and the Investigation Committee of the Saskatchewan Real Estate Commission, the Hearing Committee hereby finds and orders:
- [245] With respect to **Count 1**, the charge of professional misconduct contrary to section 39(1)(c) of *The Real Estate Act* for breach of Section 58(1)(b), Mr. Chavady has breached Section 58(1)(b) of the *Act* 106 times by failing to include required information on an offer to purchase.
- [246] 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 701(a), Mr. Chavady has breached Commission Bylaw 701(a) by providing an untrue statement of material fact to the Commission.

- [247] With respect to **Count 3**, the charge of professional misconduct contrary to section 39(1)(c) of *The Real Estate Act* for breach of Commission Bylaw 701(b), Mr. Chavady has breached Commission Bylaw 701(b) by omitting to state a material fact to the Commission.
- [248] With respect to **Count 4**, the charge of professional misconduct contrary to section 39(1)(c) of *The Real Estate Act* for breach of Commission Bylaw 702, Mr. Chavady has breached Commission Bylaw 702:
- a. 67 times by failing to represent the interests of his buyer clients while acting in dual agency;
 - b. by signing a counteroffer after expiry of the deadline;
 - c. 36 times by failing to remove conditions, or amend the contract, prior to expiry of the deadline; and
 - d. by failing to disclose knowledge of asbestos to buyer clients while acting in limited dual agency.
- [249] With respect to **Count 5**, the charge of professional misconduct contrary to section 39(1)(c) of *The Real Estate Act* for breach of Commission Bylaw 733, Mr. Chavady has breached Commission Bylaw 733 6 times by failing to include required information on service agreements.
- [250] Mr. Chavady shall receive a global sanction with respect to Counts 1 through 5 above as follows:
- a. Mr. Chavady shall receive an order of reprimand for the violations of Section 58(1)(b) of the *Act*, Commission Bylaws 701(a) and (b), 702, and 733;
 - b. Mr. Chavady shall be suspended for a period of 6 months, which will commence 6 months from the date of this order;
 - c. Mr. Chavady shall, within 3 months of the date of this order, pay to the Saskatchewan Real Estate Commission a \$100,000 fine for the said violations of the *Act* and Bylaws;
 - d. Mr. Chavady shall, within 1 year of the date of this order, complete ethics/professionalism courses to be determined or approved by the Registrar;
 - e. Mr. Chavady shall be subject to ongoing monitoring and audits by the Commission for a period of 2 years and 6 months from the date of this order;
 - f. Mr. Chavady's registration shall be subject to conditions set by the Registrar for a period of 2 years and 6 months from the date of this order; and
 - g. Mr. Chavady's registration shall be terminated if he fails to make payment or meet any of the requirements of the order as set out above.

[251] As Mr. Chavady has agreed to sign this consent order, there will be no order as to costs.

Dated at Regina, Saskatchewan, this 29th day of September, 2026.

Jeffrey Reimer
Hearing Committee Chairperson