
**IN THE MATTER OF A DISCIPLINE HEARING HELD PURSUANT TO THE
*REAL ESTATE AND BUSINESS BROKERS ACT, 2002, S.O. 2002, c. 30, Sch. C***

BETWEEN:

REAL ESTATE COUNCIL OF ONTARIO

- AND -

PAUL DISHKE

DISCIPLINE DECISION AND REASONS FNR DECISION

Subject to Rule 4.02 of the Discipline and Appeals Committee Rules of Practice (*REBBA 2002*), I, the Chair of the Discipline Committee (*REBBA 2002*) have reviewed and considered the Agreed Statement of Facts and Penalty together with the Waiver of Hearing submitted by the Parties to this proceeding and provide the following Order:

FINDINGS: In violation of Sections 3, 4, 5, 16, 17, 23, 38 and 39 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of \$ 14,000.00 payable to RECO on or before February 13, 2026 (not later than 6 months after the date of the Decision of the Discipline Committee).

Successful completion of “REIC 2600 – Ethics in Business Practice” course and provide RECO with confirmation of successful completion not later than 6 months after the date of the Decision of the Discipline Committee; and to provide proof of completion to RECO within 60 days of completion of the course.

WRITTEN REASONS:

REASONS FOR DECISION

INTRODUCTION

This matter proceeded on the basis of an Agreed Statement of Facts and Penalty and Waiver of Hearing, pursuant to Rule 4.02 of the Rules of Practice (*REBBA 2002*).

The Agreed Statement of Facts and Penalty read:

AGREED STATEMENT OF FACTS AND PENALTY

It is agreed as follows:

1. At all relevant times, Paul Dishke (“Dishke”) was registered as a salesperson under the *Real Estate and Business Brokers Act, 2002* (“Act”) and who is currently registered under the *Trust in Real Estate Services Act*.
2. At all relevant times, Dishke was employed at Brokerage A.
3. At all relevant times, Buyer A and Buyer B (the “Buyers”) were the buyers of the subject property located at Lot 1 Pt 1 Road in City A, Ontario (the “Property”). The Property was a pre- construction freehold bungalow.
4. At all relevant times, Company A, operating as Builder A (the “Builder”) was the builder and seller of the Property.
5. In or around February 2021, the Buyers contacted Dishke’s office expressing interest in purchasing a property with the Builder. Dishke had been marketing properties for the Builder.
6. In or around February 2021, Dishke had a phone call with the Buyers and discussed the homes and subdivision the Builder was constructing. Dishke gave the Buyers the contact information of the Builder.
7. On or about February 26, 2021, two representatives from the Builder met with the Buyers at the Buyers’ home. The Builder representatives brought two copies of the agreements to be signed to purchase a property.
8. The Buyers were told by the Builder representatives that Dishke was representing both sides of the sale, and that Brokerage A was in multiple representation.
9. On or about February 26, 2021, the Buyers signed the documents provided by the Builder representatives, including a buyer representation agreement with Brokerage A, with Dishke as the Buyers’ representative, and an Agreement of Purchase and Sale (“APS”).
10. Dishke was not present during the signing and did not contact the Buyers to explain any of the terms or clauses in either the buyer representation agreement or the APS, however, Dishke’s signature appears on both the buyer representation agreement and APS.

11. Page 1 of the APS indicated that the deposit was to be made to the Builder. Notably, the Builder had provided an APS for signature, but had altered the wording, deleting the words “in trust” and “real estate trust” as they relate to the Buyers’ deposit. These terms were removed rather than crossed out and the change initialled by both parties.
12. In direct contradiction to the amendments on page 1 of the APS, the Builder provided a Schedule “B” to the APS for the buyers to sign, which included the following relating to the deposit funds:

“The parties to this agreement acknowledge that the deposit holder, Brokerage A, discloses that the depositor’s funds are being held in a variable interest rate account “In Trust” as specified by the Real Estate Business Brokers Act 2002, Section 27, at the current rate of prime less 2.1% per annum.”
13. The Buyers provided the Builder with two deposits, totalling \$160,500. The first deposit was in the amount of \$25,000. The second deposit was in the amount of \$135,500.
14. In or around August 2022, the Buyers located an online article that stated that the Builder was in litigation with Town A in relation to the planned development and that the Builder was unable to secure building permits.
15. In or around October 2022, the Buyers requested their deposit back from the Builder. The Builder declined to refund the deposit.
16. On or about March 23, 2023, the Buyers had a phone call with Dishke, where Dishke advised the Buyers that Brokerage A did not have the deposit.
17. In or around April 2023, the Buyers were contacted by Tarion, who informed the Buyers that the Property had not been registered with Tarion.
18. The Builder was subsequently refused renewal of registration by the Home Construction Regulatory Authority (“HCRA”) and unable to complete construction of the Property.
19. The Buyers were able to recover \$100,000 of their deposit from Tarion, though the remaining \$60,500 was unrecoverable.
20. The Buyers are currently in civil action against the Builder and Dishke for damages associated with this failed transaction.

SUMMARY OF AGREEMENTS

It is agreed that Dishke failed to comply with the Code of Ethics (O. Reg. 580/05) as follows:

- A. Dishke engaged in unprofessional conduct by failing to ensure proper handling of the Buyers' deposit funds, including by producing an APS with conflicting directions, contrary to sections 3, 4, 5, 38 and 39 of the Code of Ethics.
- B. Dishke engaged in unprofessional conduct and did not act in the best interests of the buyer client by failing to review and/or confirm the status of the Builder with the Home Construction Regulatory Authority and/or Tarion, contrary to sections 4, 5, 38 and 39 of the Code of Ethics.
- C. Dishke engaged in unprofessional conduct and did not act in the best interests of their buyer client by failing to advise and/or represent their buyer client in the execution of documents relating to the trade in real estate. Dishke pre-signed the buyer representation agreement and the APS, was not present during the buyer client signing, and did not contact the buyer client to explain any of the terms or clauses in either document, contrary to sections 4, 5, 23, 38 and 39 of the Code of Ethics.
- D. Dishke failed to properly disclose and obtain consent for multiple representation, contrary to sections 4, 16, 17 and 38 of the Code of Ethics.

It is agreed that Dishke failed to comply with the following sections of the Code of Ethics (O. Reg. 580/05):

Fairness, honesty, etc.

3. A registrant shall treat every person the registrant deals with in the course of a trade in real estate fairly, honestly and with integrity.

Best interests

4. A registrant shall promote and protect the best interests of the registrant's client.

Conscientious and competent service, etc.

5. A registrant shall provide conscientious service to the registrant's clients and customers and shall demonstrate reasonable knowledge, skill, judgment and competence in providing those services.

Disclosure before multiple representation

16. A brokerage shall not represent more than one client in respect of the same trade in real estate unless it has disclosed the following matters to the clients or prospective clients at the earliest practicable opportunity:

1. The fact that the brokerage proposes to represent more than one client in respect of the same trade.
2. The differences between the obligations the brokerage would have if it represented only one client in respect of the trade and the obligations the brokerage would have if it represented more than one client in respect of the trade, including any differences relating to the disclosure of information or the services that the brokerage would provide.

Nature of relationships

17. If a registrant represents or provides services to more than one buyer or seller in respect of the same trade in real estate, the registrant shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all buyers and sellers involved in that trade of the nature of the registrant's relationship to each buyer and seller.

Steps taken by registrant

23. A registrant shall inform a client of all significant steps that the registrant takes in the course of representing the client.

Error, misrepresentation, fraud, etc.

38. A registrant shall use the registrant's best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in real estate.

Unprofessional conduct, etc.

39. A registrant shall not, in the course of trading in real estate, engage in any act or omission that, having regard to all of the circumstances, would reasonably be regarded as disgraceful, dishonourable, unprofessional or unbecoming a registrant.

AGREED PENALTY

The Respondent understands and agrees to the following penalty:

To pay a fine of **\$14,000.00** not later than **6 months** after the date of the Decision of the Discipline Committee on this matter.

To successfully complete the following courses or programs by the identified completion date:

Course Title (Provider)	Completion date
REIC 2600 – Ethics in Business Practice	Not later than 6 months after the date of the Decision of the Discipline Committee on this matter.

To provide proof of completion to RECO within **60 days** of completion of the courses.

Respondent acknowledgements:

1. I acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions.
2. I acknowledge my right to seek legal counsel in this matter before signing this agreement.
3. I agree, understand, acknowledge and consent to waiving my right to a hearing before the Discipline Committee.

Waiver of hearing before the Discipline Committee:

1. The parties consent to disposing of the matter without a hearing before the Discipline Committee and agree to the terms set out herein.
2. The parties request an Order from the Chair of the Discipline Committee that includes this Agreement of Facts and Penalty as a final settlement of this matter.

By signature below the Parties agree, acknowledge, understand and consent to the final settlement of this matter by way of this Agreed Statement of Facts and Penalty.

[The Parties duly signed the Agreed Statement.]

DECISION OF THE CHAIR

Having reviewed and considered the Agreed Statement of Facts, the Chair of the Discipline Committee (*REBBA 2002*) concluded that the Respondent breached Sections 3, 4, 5, 16, 17, 23, 38 and 39 of the *REBBA 2002* Code of Ethics. The Chair of the Discipline Committee (*REBBA 2002*) is also in agreement with the joint submission of the Parties as to penalty and accordingly makes the following order:

1. DISHKE, PAUL is ordered to pay a fine in the amount of \$14,000.00, payable to RECO, not later than 6 months after the date of the Decision of the Discipline Committee on this matter.
2. DISHKE, PAUL is ordered to successfully complete the “REIC 2600 – Ethics in Business Practice” course not later than 6 months after the date of the Decision of the Discipline Committee on this matter and provide proof of completion to RECO within 60 days of completion of the course.

Released: August 13, 2025