

## THE REAL ESTATE COUNCIL OF ALBERTA

Case Number: 014916  
Name on Licence: Dallas Francis Moravec  
Licence Type & Class: Real Estate Licensee  
Brokerage Name on Licence: Arteam Realty Inc. O/A  
Royal LePage Arteam Realty  
Process: Section 39 & 83 of the *Real Estate Act*  
  
Document: ADMINISTRATIVE PENALTY  
Penalty: \$3,000 (see Schedule 2 of the Bylaws)

### Payment

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

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

### If you pay the Penalty

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

**TO: Dallas Francis Moravec**

The Registrar of the Real Estate Council of Alberta (RECA) has determined there is sufficient evidence you have contravened **section 41(d) of the *Real Estate Act* Rules**, and this is conduct deserving of sanction.

Rule 41 – *Licensees must:*

*(d) fulfill their fiduciary obligations to their clients.*

### Particulars of the contravention(s):

1. In or around June 2023 you failed to fulfill your fiduciary duty to your client, [K.S], contrary to section 41(d) of the *Real Estate Act* Rules:
  - a) On June 18<sup>th</sup>, 2023, you assisted [K.S] with drafting an offer for the property located at [ADDRESS] Albert, which was undergoing renovations at the time.
  - b) You informed [K.S] you would add an itemized renovation list to the purchase contract and include conditions to ensure the renovations were completed before the final conditions were removed.
  - c) On June 20<sup>th</sup>, 2023, the offer was accepted by the sellers, including the buyers right to hold back up to \$5,000 for unfinished renovations.
  - d) On July 14<sup>th</sup>, 2023, a new Purchase Contract was entered along with an Addendum. The Addendum included thirteen items to be completed, with a \$15,500 hold back until the work was completed and inspected by a certified home inspector. This Addendum lacked specific details in some areas, including the associated costs with an item. Your client was also confused as she believed the repairs had to be done to her satisfaction and that was not clear in the Addendum. This was a failure to look out for your client's best interests in drafting the Addendum and explaining the implications of the Addendum to your client.
  - e) On August 29<sup>th</sup>, 2023, a home inspection was completed at the property. The report provided by the home inspector listed five deficiencies in the property that were included on the addendum for the holdback.
  - f) You text messaged the seller's licensee and stated there was work outstanding. However, you failed to communicate what work was outstanding and the associated costs to be held. You failed to adequately advocate for your client on what deficiencies existed in the property.
  - g) While the transaction ultimately closed, the buyer was only able to hold back \$2,000. The buyer believed they were able to hold back more money given the deficiencies noted in the inspection.

The Registrar considered the following aggravating and mitigating factors:

#### ***Aggravating Factors***

- Your client incurred financial costs as a result of your misconduct. Had the Addendum been more specific, your client would likely have been entitled to a larger holdback.
- During the investigation, you blamed your client for what occurred. This demonstrated a failure to take responsibility for how your actions impacted the situation.

## Appeal

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

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

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

If you appeal, payment of the Penalty will not be required until an order to pay a penalty is issued by the Hearing Panel. If you have any questions regarding particulars or the appeal process, please contact:

Name: [S.W], Investigator  
Email: [EMAIL]  
Phone: 403.228.2954; Toll Free: 1.888.425.2754  
Fax: 403.228.3065  
Address: Real Estate Council of Alberta  
Suite 202, 1506 11 Avenue SW  
Calgary, Alberta, T3C 0M9

Issued at Calgary, Alberta, on March 10, 2025.

**"Signature"**

Warren Martinson, Registrar  
Real Estate Council of Alberta

cc. [A.V], Real Estate Broker  
Royal LePage Arteam Realty