

**IN THE MATTER OF THE *REAL ESTATE SERVICES ACT*  
S.B.C. 2004, c. 42  
AND**

**IN THE MATTER OF  
DONNA FAYE MCCRONE**

**AND**

**TOUCHSTONE PROPERTY MANAGEMENT LTD.**

**CONSENT ORDER**

RESPONDENTS:	Donna Faye McCrone, Managing Broker, Touchstone Property Management Ltd.  Touchstone Property Management Ltd., Brokerage
DATE OF REVIEW MEETING:	December 16, 2014
DATE OF CONSENT ORDER:	January 13, 2015
CONSENT ORDER REVIEW COMMITTEE:	S. Ghose M. Leslie, Chair D. Peerless
ALSO PRESENT:	R.O. Fawcett, Executive Officer G. Thiele, Director, Legal Services D. McKnight, Legal Counsel for the Real Estate Council
PROCEEDINGS:	

On December 16, 2014 the Consent Order Review Committee (the "Committee") resolved to accept the Agreed Statement of Facts, Proposed Acceptance of Findings and Waiver ("ASF") submitted by Donna Faye McCrone and Touchstone Property Management Ltd.

**WHEREAS** the ASF, a copy of which is attached hereto, has been executed by Donna Faye McCrone, Touchstone Property Management Ltd. and on behalf of the Council;

**NOW THEREFORE**, the Committee having made the findings proposed in the attached ASF, and in particular having found that Donna Faye McCrone and Touchstone Property Management Ltd. committed professional misconduct within the meaning of section 35(1)(a) of the *Real Estate Services Act*, orders that:

1. Touchstone Property Management Ltd. be reprimanded;
2. Donna Faye McCrone be reprimanded;
3. Donna Faye McCrone, at her own expense, register for and successfully complete the Strata Management Remedial Education Course as provided by the Real Estate Division, Sauder School of Business at the University of British Columbia in the time period as directed by the Council;
4. Donna Faye McCrone and Touchstone Property Management Ltd. be jointly and severally liable to pay a discipline penalty to the Council in the amount of \$3,000.00 within ninety (90) days of the date of this Order; and
5. Donna Faye McCrone and Touchstone Property Management Ltd. be jointly and severally liable to pay enforcement expenses of this Consent Order to the Council in the amount \$1,250.00 within sixty (60) days from the date of this Order.

If Donna Faye McCrone or Touchstone Property Management Ltd. fail to comply with any term of this Order, the Council may suspend or cancel their licences without further notice to them, pursuant to sections 43(3) and 43(4) of the *Real Estate Services Act*.

Dated this 13<sup>th</sup> day of January, 2015 at the City of Vancouver, British Columbia.

ON BEHALF OF THE CONSENT ORDER REVIEW COMMITTEE

“M. Leslie”  
M. Leslie, Chair  
Consent Order Review Committee

Attch.

**File #12-422**

**IN THE MATTER OF THE *REAL ESTATE SERVICES ACT*  
S.B.C. 2004, c. 42**

**IN THE MATTER OF**

**DONNA FAYE McCRONE  
(060110)**

**AND**

**TOUCHSTONE PROPERTY MANAGEMENT LTD.  
(X026781)**

**AGREED STATEMENT OF FACTS,  
PROPOSED ACCEPTANCE OF FINDINGS AND WAIVER**

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The following agreement has been reached between Donna Faye McCrone (“Ms. McCrone”), Touchstone Property Management Ltd. (“Touchstone”) and the Real Estate Council of British Columbia (the “Council”).

- A. Touchstone hereby consents to an Order to be made pursuant to sections 41 and 43 of the *Real Estate Services Act* (the “Act”) that Touchstone be reprimanded.
- B. Ms. McCrone hereby consents to an Order to be made pursuant to sections 41 and 43 of the Act that she be reprimanded, and that she, at her own expense, register for and successfully complete the Strata Management Remedial Education Course as provided by the Real Estate Division, Sauder School of Business at the University of British Columbia within the time period as directed by Council.
- C. Ms. McCrone and Touchstone hereby consent to an Order to be made pursuant to sections 41 and 43 of the Act that they be jointly and severally liable to pay a discipline penalty to Council in the amount of \$3,000.00 within ninety (90) days of the date of this Order.
- D. Ms. McCrone and Touchstone hereby consent to an Order to be made pursuant to sections 41 and 43 of the Act that they be jointly and severally liable to pay enforcement expenses of this Consent Order to Council in the amount of \$1,250.00 within sixty (60) days of the date of this Order.
- E. Ms. McCrone and Touchstone further consent to an Order that if they fail to comply with any of the terms of the Order as set out above, a Discipline Hearing Committee

may suspend or cancel their licences without further notice to them pursuant to section 43(3) and 43(4) of the Act.

F. As a basis for this Order, Ms. McCrone and Touchstone acknowledge and agree that the facts set forth herein are correct:

1. Touchstone has been licensed as a brokerage since December 7, 1998.
2. Ms. McCrone was at all relevant times licensed as a managing broker with Touchstone.
3. Ms. McCrone's licensing history is as follows:

<u>Start Date</u>	<u>End Date</u>	<u>Brokerage</u>	<u>Licence Level</u>	<u>Licence Category</u>
30/12/2005	Present	Touchstone Property Management Ltd. (X026781)	Managing Broker	Trading, Rental, Strata
07/12/1998	30/12/2005	Touchstone Property Management Ltd. (X026781)	Managing Broker	Trading, Rental
19/11/1998	06/12/1998	*** Unlicensed ***		
06/01/1993	18/11/1998	Colliers Macaulay Nicolls Inc. dba Colliers International (X015592)	Associate Broker	Trading, Rental
09/05/1991	06/01/1993	Mackenzie Management Limited (X001972)	Associate Broker	Trading, Rental
09/11/1990	09/05/1991	Mackenzie Management Limited (X001972)	Representative	Trading, Rental
17/05/1990	08/11/1990	Pacific Shore Realty Ltd. (X014738)	Representative	Trading, Rental
06/05/1989	16/05/1990	*** Unlicensed ***		
21/12/1988	05/05/1989	Sentinel Realty Ltd. dba Realty Executives Sentinel (X018123)	Representative	Trading, Rental
23/09/1986	21/12/1988	Montreal Trust Company Of Canada (Wvan) (X009510)	Representative	Trading, Rental
11/09/1986	22/09/1986	*** Unlicensed ***		
07/05/1986	10/09/1986	Hyland Pacific Management Limited (X015063)	Representative	Trading, Rental

4. On April 2, 2012 Touchstone entered into a Strata Property Management Service Agreement with a strata client to assist in managing the affairs of the client (the "Agreement").
5. From the period of December 5, 2011 to October 11, 2012, Daniel Martin Eisenhauer ("Mr. Eisenhauer") was a licensed representative with Touchstone.
6. On April 26, 2012, Ms. McCrone and Mr. Eisenhauer attended an informal meeting set up by the strata client announcing the commencement of the Agreement with Mr. Eisenhauer as the new Property Manager effective May 1, 2012.
7. On June 14, 2012, the strata client discovered that Mr. Eisenhauer authorized payment of an invoice that did not pertain to the client.
8. On June 25, 2012, a strata owner complained that he had written numerous emails to the Strata Council in the past 18 months but Mr. Eisenhauer as Property Manager intercepted all the communications between him and the Strata Council. As a result, the Strata Council found Mr. Eisenhauer's performance unacceptable and asked Ms. McCrone to find a replacement.
9. On August 1, 2012, Ms. McCrone assumed the Property Manager's duties for the strata client as she did not have a replacement ready at the time.
10. On August 31, 2012, while the strata client was under Ms. McCrone's direct management, there were several utility invoices that had late fees assessed to them. The invoices were not forwarded to Touchstone when it became Property Manager as the former strata management firm had an auto debit payment system set up with BC Hydro and Touchstone was not notified of this procedure. BC Hydro ultimately reversed all late fees and set up a billing system with a longer payment cycle.
11. In addition, two strata invoices were approved and posted August 31, 2012 by Touchstone and were not for the strata client. The two invoices were billed incorrectly by a strata contractor to the former strata management firm. These invoices were reimbursed by Touchstone.
12. Another invoice was improperly coded and approved by Mr. Eisenhauer. When Ms. McCrone was signing the cheque she noticed the incorrect invoice and had the cheque voided and the journal entry posted to the strata client. The invoice showed on the June 2012 financial statements as a charge as Touchstone cut off accounting at month end. The journal entry reversing the cheque therefore did not appear until the July 2012 statement was issued. While the invoices were provided to the Strata Council as part of a financial reporting package, Ms. McCrone did not report this matter to the Strata Council.

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13. Ms. McCrone states that after meeting with the Strata Council she worked diligently to recover monies from the previous management company and to recover overpayment from them.
  14. On November 1, 2012, [...] (“Ms. [...]”) was appointed Property Manager of the strata client.
  15. On November 19, 2012, while the strata client was under Ms. [...]’s management, the Strata Council received a Petition submitted by a group of owners involving a complaint against Ms. [...]. The Petition alleged that Ms. [...]’s performance as Property Manager did not meet expectations and that Ms. [...] was late in providing the meeting agenda. As a result, the strata client had to cancel a Strata Council meeting because Ms. [...] failed to prepare the meeting agenda in advance.
  16. On December 14, 2012, the Strata Council called an informal meeting to announce to the owners of its decision to terminate Touchstone. The meeting to inform the owners of the decision to terminate Touchstone was to be scheduled in late January 2013. The Strata Council advised Ms. [...] that her presence at the January 2013 meeting was not required and specifically instructed her not to talk to any other owner prior to the meeting.
  17. The Strata Council member heard from another owner that Ms. [...] spoke to him about the Council’s decision to terminate Touchstone. The Strata Council found that Ms. [...] did not act within the scope of the authority given by the client. The Strata Council believes that despite the direction to Ms. [...] not to speak to any other owner prior to the meeting, she did so.
  18. Ms. [...] states that a strata owner contacted Touchstone to ask if she would be attending the meeting. Ms. [...] claims she told the owner that she would not be in attendance as the property management contract with Touchstone was cancelled. Ms. [...] claims she told the owner that they should contact the Strata Council for details.
  19. On December 14, 2012, the Strata Council served 45 days’ notice to terminate Touchstone effective January 31, 2013.
  20. Ms. McCrone, Mr. Eisenhauer, Ms. [...] and Touchstone have no prior discipline history with Council.
- G. Proposed Acceptance of Findings and Waiver.
1. Based upon the Agreed Statement of Facts as outlined herein, and without making any admissions of liability, Ms. McCrone and Touchstone are prepared to accept the following findings made against them by Council’s Consent Order Review Committee that they committed professional misconduct within the

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meaning of section 35(1)(a) of the Act, in relation to a strata management service agreement between Touchstone and its client, in that:

- (a) In contravention of section 6(2)(c) of the Act and 3-1(1)(c) of Council's Rules, Ms. McCrone failed to properly supervise Mr. Eisenhauer, while he was the strata management representative for the strata client in May 2012 through July 2012;
  - (b) In contravention of section 3-4 of Council's Rules, Ms. McCrone failed to act with reasonable care and skill in that while the strata client was under the management of Mr. Eisenhauer, and later under Ms. McCrone's direct management, two strata invoices that were addressed to the strata client, but incorrectly issued by a strata contractor. These invoices were reimbursed by Touchstone. Another invoice was improperly issued but never left Touchstone's offices and was reversed by Touchstone in a journal entry. The invoices were not reviewed properly for accuracy and Ms. McCrone approved the invoices and charged them to the strata client's expense account. Further, various utility charges were not paid on time and further interest charges were incurred by the strata client from June 2012 through August 2012;
  - (c) In contravention of section 6(2)(c) of the Act and 3-1(1)(c) of Council's Rules, Ms. McCrone failed to properly supervise Ms. [...], while she was the strata agent for the strata client in October 2012 through February 2013; and
  - (d) In contravention of section 30 of the Act, Touchstone approved the payment of another building's invoices and charged it to the strata client's trust account.
2. Ms. McCrone and Touchstone hereby waive their right to appeal pursuant to section 54 of the Act.
  3. Ms. McCrone and Touchstone acknowledge that they have a right to seek independent legal advice before signing this Agreed Statement of Facts, Proposed Acceptance of Findings and Waiver.
  4. Ms. McCrone and Touchstone acknowledge and are aware that Council will publish the Consent Order and penalty herein in its Report from Council newsletter, on Council's website and on CanLII, a website for legal research.
  5. Ms. McCrone and Touchstone acknowledge and are aware that the Superintendent of Real Estate has the right, pursuant to section 54 of the Act, to appeal any decision of the Council, including this Agreed Statement of Facts, Proposed Acceptance of Findings and Waiver and Consent Order.

6. The Agreed Statement of Facts and Proposed Acceptance of Findings and Waiver contained herein are made for the sole purpose of resolving a complaint being considered by the Council and for that purpose only. The Agreed Statement of Facts and Proposed Acceptance of Findings cannot be used in any other proceeding of any kind.
7. This Agreed Statement of Facts and Proposed Acceptance of Findings and Waiver may be signed in counterpart.

“David T. McKnight”

David T. McKnight  
Legal Counsel Real Estate Council of  
British Columbia

As to Part F only (Agreed Statement of  
Facts)

Dated: 25<sup>th</sup> day of September, 2014

“Donna Faye McCrone”

Donna Faye McCrone

As to Parts A, B, C, D, E, F and G  
(Agreed Statement of Facts, Proposed  
Acceptance of Findings and Waiver)

Dated: 25<sup>th</sup> day of September, 2014

“Donna Faye McCrone”

Donna Faye McCrone on behalf of  
Touchstone Property Management Ltd.

As to Parts A, B, C, D, E, F and G  
(Agreed Statement of Facts, Proposed  
Acceptance of Findings and Waiver)

Dated: 25<sup>th</sup> day of September, 2014