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There's no place for racism in real estate

The Real Estate Council of Ontario (RECO), the body that regulates the conduct of real estate agents, has served notice on Ontario brokers and agents that it will not tolerate racial or religious discrimination within the real estate industry.

The incident, which resulted in a recent discipline decision from RECO, took place in Guelph at the end of last year.

Peter Ysselstein, a sales agent with ReMax Realty Specialists Inc. in Guelph, distributed a flyer to a number of residences in the city promoting his services.

The two-sided brochure encouraged potential customers to call him for a free market evaluation and assistance in buying or selling homes.

On the back of the flyer was the heading: "Assumptions are often wrong and are wrong." This was followed by a list of a series of innocuous assumptions or misconceptions, most of them based on music.

The came the zinger: "And one last assumption," Ysselstein wrote. "Does the 'stein' in my name automatically make me Jewish? Don't let the 'stein' stop you from calling me for a free Home Value Estimate!"

Distribution of the brochure caused a storm of controversy in Guelph and elsewhere, and led to articles in the Kitchener-Waterloo Record, the Guelph Mercury and the Canadian Jewish News.

Betty Wickett, a board member at a local synagogue, was quoted as saying she was shocked at the pamphlet and insulted at the implication that people in the community would use religion as criteria for selling their homes. B'nai B'rith Canada issued a press release denouncing the advertisement.

After a number of complaints were received by RECO and the ReMax office, Ysselstein took out an ad in a local newspaper and apologized to his "many friends and acquaintances"

But the word 'Jewish' did not appear in the text and there was no specific apology to the Jewish community.

Eventually, a discipline charge was laid against Ysselstein by RECO. It alleged a breach of RECO's code of ethics by the agent for distinguishing himself from a religious group in an advertisement and using that distinction as a reason why consumers should do business with him.

The hearing took place in Toronto on May 28 before a three-member panel consisting of Arthur Bartram, Michael Spagat and Victor Kerman.

No evidence was heard, since Ysselstein signed an acknowledgment of his conduct and an undertaking to publish an apology to the real estate industry, as well as to enrol in a B'nai Brith Canada course called Taking Action Against Hate.

After hearing submissions from Ysselstein's counsel, Michael Birley, the discipline panel ruled that the publication and distribution of the advertisement was professional misconduct.

Ysselstein was placed on probation as an agent for two years, and ordered to pay costs of \$800.

ReMax Realty Specialists also had its knuckles rapped for failing to adequately supervise the advertising activities of Ysselstein. The panel said ReMax should have made clear to its agents that no advertisement be published or distributed without approval of the managers of the brokerage.

The company was reprimanded and hit with an administrative fine of \$2,000 and costs of \$900.

Following the expiry of the appeal period in July, Inman News Features, one of the world's largest real estate news services, distributed the story internationally. Inman has 150 newspaper subscribers and 10,000 affiliated Web sites.

Shortly after the RECO decision, Ysselstein took out an ad in the trade paper REM (Real Estate Magazine) and apologized to the real estate community at large for his advertisement, "which has been interpreted or construed by some as being anti-Semitic.

"This was never my intention," he added. "I regret this very much and am truly sorry for having offended."

Again, the ad contained no specific apology addressed to a religious community.

Ysselstein continues to work at ReMax Realty Specialists in Guelph, but the controversy his case stirred up is far from over.

In March, he filed a counter-complaint against a Toronto real estate broker who had filed a complaint against him with RECO and who was very vocal in publicizing his complaints about Ysselstein's advertisement.

That agent, who happens to be Jewish, grew up in Guelph in the 1950s. During his childhood, he remembers suffering physical and verbal attacks because of his religion. That was why, he explained, the Ysselstein advertisement disturbed him so deeply and prompted him to file a passionate complaint with RECO.

Meanwhile, the counter-complaint with RECO is still hanging over his head.

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