

**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 -**

**JAMES DOUGLAS LAWSON (registered as JIM LAWSON)**

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**DISCIPLINE DECISION AND REASONS FOR DECISION**

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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:

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**FINDINGS:** In violation of Sections 3 and 38 of the *REBBA 2002* Code of Ethics.

**ORDER:** Fine of \$7,500.00 payable to RECO not later than 180 days after the date of the Decision of the Discipline Committee on this matter.

Successful completion of RECO MCE Compliance and Ethics in Real Estate courses, Parts 1 & 2 and provide proof of successful completion of the courses not later than 180 days after the date of the Decision of the Discipline Committee on this matter.

**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. James Lawson, registered as Jim Lawson, ("Lawson") is registered as a salesperson under the *Real Estate and Business Brokers Act, 2002* ("Act"). At all material times, Lawson was employed at Brokerage A, the listing brokerage.
2. At all material times, Registrant A was employed at Brokerage B.
3. Buyer A, the Complainant, was the Buyer of a residential property located at the municipal address of 1-A Street, City A (the "Property"), with Registrant A acting as the buyer's representative in the subject transaction.
4. Seller A was the Seller of the Property.
5. On or about October 11, 2016, the Property was listed on the MLS with an asking price of \$339,900.00.
6. The MLS information stated that the Property had central air conditioning, 4.0 private double wide/asphalt, gravel drive.
7. On or about October 13, 2016, the Agreement of Purchase and Sale (the "APS") was executed between the Buyer and Seller with the purchase price being \$382,500.00, and a closing date of November 17, 2016.
8. The APS's completion date was scheduled for November 17, 2016.
9. In Schedule A of the APS, the condition on financing and the home inspection condition were removed by the Buyer.
10. On or about March 2, 2018, Individual A, Municipal Law Enforcement and Property Standards Officer sent a written Zoning Notice to Buyer A.
11. The Zoning Notice stated that a recent inspection of the Property revealed a violation of the City A's Zoning By-laws and thus the Property was not in compliance.
12. Buyer A was instructed to bring the Property into compliance before March 16, 2018.

Buyer A was also informed that her failure to bring the Property into compliance could result in legal action against her, or the City could undertake the work necessary to bring the Property into compliance, at her expense.

13. On or about April 20, 2018, Buyer A contacted Individual A by email and requested documentation regarding the Property when it was owned by the previous owners, including but not limited to the driveway, lot plan etc.
14. On April 24, 2018, Individual A responded to Buyer A and advised that she had contacted Lawson, the Listing Agent, by phone on October 24, 2016, which was after the APS had become firm and binding. Buyer A further informed that she had informed Lawson of the driveway widening issue and requested that he pass the information along to the Buyer.
15. Individual A also asked Buyer A to obtain the documentation requested from her lawyer or Freedom of Information Office.
16. Lawson did not disclose anything regarding the driveway to the Buyer, Buyer A.
17. Buyer A filed a complaint with RECO on or about May 28, 2018.
18. On or about October 30, 2018, RECO contacted Registrant A as a party added to the complaint.
19. Registrant A advised that she performed her due diligence regarding the permit by visiting the City website and contacting the City by telephone. The City did not advise of any outstanding deficiencies, non-compliance notices or any outstanding work orders, regarding the driveway or anywhere else on the Property.

### **SUMMARY OF AGREEMENTS**

**It is agreed that Jim Lawson failed to comply with the Code of Ethics as follows:**

- A. Failed to disclose the Enforcement Officer's telephone communications with him to the Buyer's representative, regarding the driveway widening, essentially withholding this information from the Buyer contrary to section 3 and 38 of the Code of Ethics.

**It is agreed that Jim Lawson failed to comply with the following sections of the Code of Ethics:**

**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.

**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.

**AGREED PENALTY**

Jim Lawson, the Respondent be ordered to pay a fine of \$7,500.00 not later than 180 days after the date of the Decision of the Discipline Committee on this matter.

In addition to the above fine, Respondent must enroll in and complete the RECO MCE Compliance and Ethics in Real Estate courses, Parts 1 & 2 and provide proof of successful completion of the courses not later than 180 days after the date of the Decision of the Discipline Committee on this matter.

By initials below, I, Jim Lawson, acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions.

*[Respondent's Initials]*

By initials below, I, Jim Lawson, agree, understand, acknowledge and consent to waive the requirement for a hearing and to request an Order from the Chair of the Discipline Committee that includes this Agreed Statement of Facts and Penalty as a final settlement of this matter.

*[Respondent's Initials]*

By initials below, I, Jim Lawson, acknowledge that I exercised my right to be represented by Counsel or agent in this matter.

*[Respondent's Initials]*

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 Agreed Statement was duly signed by the Parties.]

### **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 and 38 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. Jim Lawson is ordered to pay a fine of \$7,500.00 not later than 180 days after the date of the Decision of the Discipline Committee on this matter.
2. Jim Lawson is ordered to complete the RECO MCE Compliance and Ethics in Real Estate courses, Parts 1 & 2 and provide proof of successful completion of the courses not later than 180 days after the date of the Decision of the Discipline Committee on this matter.

*[Released: September 21, 2022]*