

THE REAL ESTATE COUNCIL OF ALBERTA

Case Number: 016062.001
Name on Licence: David Lem
Licence Sector and Class: Real Estate Broker
Current Brokerage 4th Street Holdings Ltd.
Conduct Brokerage: 4th Street Holdings Ltd o/a Re/Max Real Estate
(Central)
Process: A Hearing under Part 3 of the *Real Estate Act*

NOTICE OF HEARING

TO: David Lem

A hearing is set to review allegations about your conduct. Read this entire document to see what you must do.

Hearing Information

Date: Monday, August 18, 2025 &
Tuesday, August 19, 2025 &
Wednesday, August 20, 2025
Time: 9:30 a.m.
Venue: Virtual Hearing
Hearing Panel: [A.T]
[M.B]
[J.L]
(Alternate: [J.P])
Counsel to the Panel: Carol Zukiwski – Reynolds Mirth Richards & Farmer LLP

It is alleged that the following conduct is deserving of sanction:

1. From as early as 2021 until 2024 you are accountable for the conduct of an associate broker, associate or employee, as the case may be, pursuant to section 51(3)(b), (c), (e), (f) and (g) of the *Real Estate Act* Rules as you:
 - failed to ensure an adequate level of supervision was in place for the associate broker, associate or employee, as the case may be;
 - were willfully blind to the conduct of the associate broker, associate or employee, as the case may be;
 - had knowledge of the misconduct of the associate broker, associate or employee, as the case may be, and failed to take reasonable steps to stop such misconduct;
 - upon becoming aware of the misconduct failed to take reasonable steps to correct the misconduct or reduce any harm that may have resulted from the misconduct; and
 - failed to notify the registrar upon becoming aware of misconduct relating to fraud, deception, theft, or unlawful activities on the part of the associate broker, associate or employee.
- a. Since December 2021, you have been the real estate Broker for 4th Street Holdings Ltd. which operated as RE/MAX Central over the material period.
- b. From 2011 until 2024 [E.D] was an Associate Broker also registered with RE/MAX Central.
- c. From approximately 2021 until 2024, [E.D] engaged in an extensive fraudulent conduct connected with the provision of services or in any dealings.
- d. As early as 2021 you were aware of, or willfully blind to [E.D]’s aggrieved conduct related to the fraud. You further had knowledge of civil judgments against him. You failed to take appropriate action.

Virtual Hearings

Hearings at RECA are conducted virtually. The Hearing Administrator will provide you with the Guide to Virtual Hearings and you will receive help in participating in the virtual process.

Why You Should Attend the Hearing

The hearing is your opportunity to respond to the allegations and state your side of the case in front of the Panel.

Learn About the Hearing Process

Please read these guides on the RECA website <https://www.reca.ca/complaints-discipline/hearings-information-procedures/>

- *Hearing and Appeal Practice and Procedures Guidelines and*
- *How to Represent Yourself at a Real Estate Council of Alberta Hearing or Appeal*
- *RECA Self-Represented Program*

Before the Hearing

You will receive full disclosure of all evidence gathered by the Registrar relevant to the allegations in this Notice of Hearing for your review. This disclosure is for use in the conduct proceedings only and you may not use it for any other purpose.

You are also invited to meeting with Counsel for the Registrar prior to the hearing to consider entering agreement on non-contested matters such as:

- An admission of conduct deserving of sanction
- An agreement on facts
- An agreement on breaches
- An agreement on a finding of conduct deserving of sanction
- An agreement on sanction and/or costs.

Admissions or agreements can reduce the time and costs of the hearing.

What You Should Bring to the Hearing

Bring any witnesses and evidence you want the Panel to consider, with you to the hearing.

What Will Happen If You Don't Attend

If you do not attend the Panel may proceed to make a decision without you.

What Will Happen At the Hearing

After hearing all evidence and argument the Panel will decide whether the Registrar has proven any of the breaches. If no breach is proven you will face no sanction.

If the Panel finds a breach is proven the Panel may do one or more of the things listed in **section 43** of the *Real Estate Act*:

- Cancel or suspend your authorization
- Order you to pay a fine for each breach
- Order you to pay the cost of the investigation and the hearing
- Order you to complete an education course

Submitting Written Arguments After the Evidence

You can ask the Panel to allow you to provide written arguments at the end of presentation of evidence. The Panel will give directions on how this may be done.

You Can Get Legal Advice

You may get legal advice and may be represented by legal counsel at the hearing. If you do not have a representative please read information for unrepresented Licensees here:

<https://www.reca.ca/complaints-discipline/hearings-information-procedures/>

If You Object to a Panel Member

Please review who is on the Panel. If you object to any of the people being on the Panel, you must advise the Hearings Administrator **who you object to and why within 14 days** of receiving this Notice.

If you do not object to the Panel within 14 days, this Panel will conduct the hearing.

Postponing the Hearing

If you are not available on the date set for the hearing you can apply to the Panel for a new date. Contact the lawyer for the Registrar and the Hearings Administrator as soon as possible if you need a new date.

Dated at Calgary, Alberta, on June 24, 2025.
(date)

"Signature"

Warren Martinson, Registrar
Real Estate Council of Alberta

Contact Information:

Hearings Administrator:	Administrator for Counsel for the Registrar:
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