



IN THE MATTER OF: THE REAL ESTATE BROKERS ACT

AND IN THE MATTER OF: THE REAL ESTATE SERVICES ACT

-and-

IN THE MATTER OF: REGINALD WAYNE KEHLER

**STATEMENT OF ALLEGATIONS OF STAFF OF
THE MANITOBA SECURITIES COMMISSION**

STAFF OF THE MANITOBA SECURITIES COMMISSION (“Commission”) ALLEGE THAT:

A. REGISTRATION

1. Reginald Wayne Kehler (“Kehler”) is a resident of the City of Winnipeg, in the Province of Manitoba.
2. At all material times Kehler was registered as a salesperson under The Real Estate Brokers Act. (“REBA”) with 0493865 Manitoba Ltd. o/a Re/Max Professionals as his employing broker (the “Broker”).
3. At all material times, the Broker was registered as a broker under REBA and was a member of The Manitoba Real Estate Association Inc. (“MREA”) participating in the Real Estate Reimbursement Fund (the “Fund”).
4. Kehler is currently registered as a salesperson under The Real Estate Services Act (“RESA”) with 0493865 Manitoba Ltd. o/a Re/Max Professionals.

B. DETAILS

1. D.R. and P.R. (the “Sellers”) owned a residential property located at 63 Bramble Drive in Winnipeg, Manitoba (the “Property”).
2. On or about March 12, 2020, the Sellers signed a listing contract with Re/Max Professionals to list the Property for sale.
3. Due to the COVID-19 pandemic, the listing remained inactive until May 2020. The Property was then re-listed on May 19, 2020 for \$574,900.

4. Kehler acted as the listing sale agent on behalf of the Sellers with respect to the sale of the Property.
5. In early June 2020, Kehler was contacted by R.B. who was interested in viewing the Property. On June 8, 2020, Kehler arranged for a showing of the Property to R.B.
6. On June 15, 2020, R.B. wrote an offer to purchase on the Property with Kehler acting as both the Selling Salesperson and Listing Salesperson. The offer was for a purchase price of \$570,000, with possession to be on July 15, 2020, and included a condition for a deposit of \$100,000.00 to be delivered within 72 hours of acceptance by the Sellers.
7. Kehler provided the written offer to the Sellers, who had accepted the offer on June 15, 2020.
8. Kehler had R.B. sign an *Acknowledgement of Joint Representation* form but had neglected to provide the form to the Sellers.
9. A few days after the offer was signed and accepted, Kehler was then advised by a conveyancing officer at his Broker to submit the *Acknowledgement of Joint Representation* form.
10. Kehler forged the Sellers' signatures on the *Acknowledgement of Joint Representation* form and submitted that form to his Broker.
11. Between June 17, 2020 and July 13, 2020, Kehler was in communication with R.B. on multiple occasions regarding the status of the deposit that was to have been in the Broker's possession by June 18, 2020.
12. R.B. advised Kehler that there were delays in the release of the funds from his overseas bank accounts to his Canadian bank accounts.
13. Kehler neglected to inform the Sellers until July 13, 2020 that he had not yet received the deposit of \$100,000 from R.B.
14. On July 16, 2020, Kehler advised the Sellers that R.B. would not be able to complete the transaction.
15. On August 11, 2020, D.R. asked Kehler to reduce the asking price of the Property to \$567,900.
16. Subsequently, and without the Sellers' consent, on August 19, 2020 Kehler reduced the asking price of the Property to \$564,900.
17. On August 22, 2020, upon noticing the reduced asking price, D.R. asked Kehler for an explanation. Kehler replied that the Sellers' had provided authorization for the reduction of the purchase price. The Sellers' denied to Kehler that such authorization occurred.

Communications with Broker

18. On August 26, 2020, D.R. raised concerns about Kehler's conduct in an email to the authorized official and owner of Re/Max Professionals, Stan Newman ("Newman") and authorized official and office manager Donnette Odidison ("Odidison").

19. From August 26, 2020 to September 2, 2020, D.R. sent multiple follow up emails to Kehler, Newman and Odidison of the Broker to determine if the Broker would attempt to resolve the situation.

20. On September 2, 2020, after receiving no reply to their email communications, D.R. advised Kehler, Newman and Odidison over email that they were effectively terminating their relationship with Kehler and the Broker, and that he would subsequently list the Property with another real estate brokerage.

21. On December 6, 2020, after listing the Property with another brokerage, the Sellers' accepted an offer on the Property for \$517,500 (less a \$10,000 cash back incentive).

C. ALLEGATIONS

1. Staff allege that Kehler:

- (a) failed to disclose to the Sellers' in a timely manner that R.B. had not provided the required deposit within the 72 hour period, as was required by the Offer to Purchase;
- (b) reduced the purchase price of the Property without the consent of his clients, the Sellers; and
- (c) in connection with a trade or transaction in real estate committed "fraudulent acts" within the meaning of REBA as defined in section 1 in that he forged signatures of the Sellers on the *Acknowledgement of Joint Representation Form*.

That Kehler's conduct, as set out above, is contrary to the public interest and that it is in the public interest his registration under REBA be cancelled or suspended pursuant to ss. 59(1) of RESA and that, furthermore, Kehler pay the costs for the investigation of matters referred to herein and the costs of this hearing.

2. That the Commission should order the MREA to pay out of the Fund an amount to be determined at or before hearing to the Sellers' and/or such other person as may be determined pursuant to subsection 65(2) of the Act and, furthermore, order pursuant to subsection 59(1) that the registration of Kehler as a salesperson under RESA be suspended or cancelled.

3. Such further and other matters as counsel may advise and the Commission may permit.

DATED at the City of Winnipeg, in Manitoba this 25th day of July, 2023.



Director

TO: REGINALD WAYNE KEHLER