

**IN THE MATTER OF**

The Registrar, *Trust in Real Estate Services Act, 2002*, S.O. 2002, Chapter 30,  
Schedule C, as amended (the “**Act**”)

- and -

The Application for Registration of **Justin Patrick McCarthy** as a Salesperson under the Act

**NOTICE OF PROPOSAL TO REFUSE REGISTRATION**

**WHEREAS** Justin Patrick McCarthy (“**McCarthy**”) is not registered under the Act;

**AND WHEREAS** McCarthy has applied for registration as a Salesperson under the Act;

**AND WHEREAS** section 13 of the Act provides that the Registrar may refuse to register an applicant if, in the Registrar’s opinion, the applicant is not entitled to registration under section 10 of the Act;

**AND WHEREAS** section 14 of the Act provides that where the Registrar proposes to refuse to grant a registration, the Registrar shall serve notice of the proposal on the applicant;

**AND WHEREAS** in the Registrar’s opinion, McCarthy is not entitled to registration under section 10 of the Act, and as such the Registrar proposes to refuse to grant the registration for the reasons that follow.

## A. REASONS

1. McCarthy is not entitled to registration on the following grounds:
  - a) pursuant to section 10(1)(a)(ii) of the Act, because McCarthy's past conduct affords reasonable grounds for belief that he will not carry on business in accordance with law and with integrity and honesty; and
  - b) pursuant to section 10(1)(g) of the Act, because it would be contrary to the public interest.

## B. PARTICULARS

### IT IS ALLEGED AS FOLLOWS:

#### ***Registration Background***

2. McCarthy applied for registration as a salesperson on or about July 4, 2024.
3. McCarthy has never been registered under the Act.

#### ***Convictions for Trafficking Narcotics***

4. On or about April 27, 2012, McCarthy pleaded guilty to three counts of trafficking in methamphetamine, three counts of possession of proceeds of drug trafficking, and one count of possession of methamphetamine for the purpose of trafficking.
5. On or about July 5, 2012, McCarthy was sentenced to a total of 12 years imprisonment.
6. The convictions and corresponding sentences were as follows (all sentences are concurrent, which is to say that they ran in parallel):
  - a) One count: Possession of methamphetamine for the purpose of trafficking, contrary to s. 5(2) of the *Controlled Drugs and Substances Act*. Sentence: 12 years imprisonment.
  - b) Two counts: Trafficked in methamphetamine contrary to s. 5(1) of the *Controlled Drugs and Substances Act*. Sentence: 8 years imprisonment, concurrent with prior count.

- c) One count: Trafficked in methamphetamine contrary to s. 5(1) of the *Controlled Drugs and Substances Act*. Sentence: 12 years imprisonment, concurrent with prior count.
  - d) One count: Possession of proceeds of property obtained by crime (cash exceeding \$5,000) knowing that all or part of the proceeds of property was obtained or derived from the offence of trafficking cocaine, contrary to s. 354(1)(a) of the *Criminal Code*. Sentence: 4 years imprisonment, concurrent with prior count.
  - e) One count: Possession of proceeds of property obtained by crime (cash exceeding \$5,000) knowing that all or part of the proceeds of property was obtained or derived from the offence of trafficking methamphetamine, contrary to s. 354(1)(a) of the *Criminal Code*. Sentence: 4 years imprisonment, concurrent with prior count.
  - f) One count: Possession of proceeds of property obtained by crime (\$1,055.00) knowing that all or part of the proceeds of the property was obtained or derived from the offence of trafficking in a controlled substance, contrary to s. 354(1)(a) of the *Criminal Code*. Sentence: 1 year imprisonment, concurrent with prior count.
7. In his reasons for sentence, Justice J.A. Ramsay made the following remarks about McCarthy's conduct in support of the sentence:
- McCarthy was closely involved with producers of the methamphetamine, supplying the materials and wholesaling a "staggering amount of product." He must be seen as very high on the supply chain.
  - McCarthy was clearly experienced and sophisticated in the illicit substance business and had been selling drugs for years.
  - People who deal in illicit substances, at the level that McCarthy did, must be deceptive and unscrupulous.
  - McCarthy's behaviour was ascribable to greed, arrogance and a lack of appetite for honest work.

8. McCarthy's sentencing also included a lifetime firearms ban, an order to produce blood for the DNA databank, and a forfeiture order.
9. McCarthy was granted day parole on January 5, 2016, and full parole in the community on July 5, 2016.
10. McCarthy finished serving his sentence on July 4, 2024. His present application for registration under the Act was submitted to the Registrar the same day.
11. McCarthy's high-level of involvement in the unlawful business of trafficking in serious illicit substances, for which his lengthy sentence has only recently been completed, affords reasonable grounds for belief that he will not carry on business in accordance with law and with integrity and honesty.
12. Further, it is contrary to the public interest that such an individual be granted a registration under consumer protection legislation to work in the regulated business of real estate trading.
13. Prior to the above-noted convictions, on or around December 8, 2006, McCarthy was convicted for driving with more than 80 milligrams of alcohol in his blood. He was fined \$600.00 and his licence was suspended for one year. This conviction is further grounds that McCarthy should not be granted registration under s. 10(1)(a)(ii) and 10(1)(c) of the Act.

### **C. RIGHT TO A HEARING**

Take notice that Section 14 of the Act provides that an applicant is entitled to a hearing by the Licence Appeal Tribunal (the "**Tribunal**") in respect of a proposal by the Registrar to refuse registration if **WITHIN 15 DAYS** after service of this Notice of Proposal (deemed to be on the third day after mailing by registered mail), the applicant mails or delivers notice in writing to the following parties that a hearing is required:

**TO:** The Registrar  
Licence Appeal Tribunal  
15 Grosvenor St., Ground Floor  
Toronto, ON M7A 2G6

**AND TO:** The Registrar  
Real Estate Council of Ontario  
1400-3300 Bloor St. W, West Tower  
Toronto, ON M8X 2X2

Section 14(4) of the Act provides that where the applicant does not require a hearing by the Tribunal, the Registrar may carry out the proposal. Any person who, while not registered, trades in real estate is, subject to exceptions enumerated in the Act, in contravention of the Act and is liable to prosecution.

Section 14(5) of the Act provides that where an applicant requires a hearing by the Tribunal, the Tribunal shall hold the hearing and may by order direct the Registrar to carry out the Registrar's proposal, or may substitute its opinion for that of the Registrar and the Tribunal may attach conditions to its order or to a registration.

If an applicant requires a hearing regarding this proposal and further wishes to be represented by a lawyer or agent at the hearing, it is strongly advised that the applicant make these arrangements as soon as possible. The Registrar reserves the right to oppose any request by the applicant for an adjournment of the hearing in order for the applicant to make such arrangements.

#### **D. NOTICE OF MOTION FOR COSTS**

If a hearing is requested as described in Section C and, at any time during the course of proceedings arising from this request, the Registrar believes the applicant has acted unreasonably, frivolously, vexatiously or in bad faith, the Registrar will make a request for an award of costs from the Tribunal, such costs to be paid by the applicant.

#### **E. APPLICATION OF THE STATUTORY POWERS PROCEDURE ACT**

The *Statutory Powers Procedure Act*, R.S.O. 1990, Chapter S.22 as amended ("**SPPA**") applies to the Tribunal. Section 8 of the SPPA provides as follows:

8. Where the good character, propriety of conduct or competence of a party is an issue in a proceeding, the party is entitled to be furnished prior to the hearing with reasonable information of any allegations with respect thereto.

If a hearing is held as required by the applicant, the Registrar states that the good character, propriety of conduct or competence of the applicant shall be an issue in the hearing and the Registrar has provided herein reasonable information of allegations with respect thereto.

**F. FURTHER PARTICULARS/SUPPLEMENTAL NOTICE**

The applicant may be sent further or other particulars in respect of any matter herein or in respect of any other matter including further grounds for refusal of registration.

November 29, 2024

Joseph Richer, Registrar  
*Trust in Real Estate Services Act, 2002*

Date