The Tennessee Real Estate Commission convened on October 1, 2009, at 9:12 a.m. in the Kingsport Center for Higher Education, 1st floor meeting room, 300 Market Street, Kingsport, TN 37660. The following Commission Members were present Chairman Grover Collins, Vice-Chairman Isaac Northern, Commissioner David Fliptcroft, Commissioner Carol Tate, Commissioner Valerie Joh and Commissioner William “Bear” Stephenson. Commissioner Woods was absent because he was required to be in court. Commissioner Haynes and Commissioner Alexander were absent. Others Present: Eve Maxwell, Executive Director, Robyn Ryan, Assistant General Counsel, Mandy Spencer, Paralegal and Kelly McDermott, Administrative Secretary.

The first order of business was the adoption of the agenda (Exhibit 1) for the October 2009 Commission meeting. Vice-Chairman Northern made a motion to adopt the agenda; seconded by Commissioner Joh; unanimous vote; motion carried.

The next order of business was the approval of the minutes from the September 2009 meeting (Exhibit 2). Vice-Chairman Northern made a motion to approve the September 2009 minutes; seconded by Commissioner Stephenson; unanimous vote; motion carried.

EXECUTIVE DIRECTOR’S REPORT, EVE MAXWELL, EXECUTIVE DIRECTOR

Ms. Maxwell presented the following information to the Commission for review:

- Complaint Statistics Report (Exhibit 3) – TREC has a total of 262 open complaints. Of those 262 open complaints, 76 are Errors & Omissions insurance complaints. There are 30 new complaints since the September 2009 meeting. There are 256 complaints in the legal department and 6 open complaints in the TREC office awaiting response. The total number of closed complaints for the current Fiscal Year 2009-2010 is 139. Total Civil Penalties paid in September 2009 were $25,540.00.

- Reciprocity with Kentucky – In July 2009, the Kentucky Real Estate Commission changed to a license recognition system of licensing out of state applicants. Ms. Maxwell explained that if someone applies from another state, the Kentucky Real Estate Commission will review the applicant’s education and determine if it meets their education requirements. Applicants are also required to take the State portion of the examination and required to take additional education in Kentucky state law. She advised 10 states have recently switched to license recognition. Vice-Chairman Northern made a motion that if another state chooses not to allow full reciprocity with Tennessee licensees then at that time the Tennessee Real Estate Commission will also relinquish that same right to their licensees in Tennessee and withdraw reciprocity; seconded by Commissioner Tate; unanimous vote; motion carried.
Licensing Statistics — Ms. Maxwell presented statistics (Exhibit 4) to the Commission on real estate licenses approved in 2008 & 2009 and the number of licensees as of September 28, 2009. As of September 28, 2009, there were 28,676 active licensees, 2,755 inactive licensees and 10,134 retired licensees. There were 4,472 active firms and 346 retired firms. There were 235 new applications approved in September 2009. Ms. Maxwell also presented statistics on license renewal percentages (i.e. how many sent by month, the number not renewed by the 61st day and the percentage of licensees not renewed). She also presented statistics on the number of test takers from 01/2007 – 09/27/2009 and the number of test takers by site from 01/01/2009 – 09/27/2009.

EDUCATION REPORT, EVE MAXWELL, EXECUTIVE DIRECTOR
Ms. Maxwell presented courses for Commission Evaluation and Courses Requiring Discussion (Exhibit 5). Commissioner Joh made a motion to approve the Courses Presented for Commission Evaluation (01 – 020 on report) and not approve the Courses Requiring Discussion (021- 022 on report) “IRA Seminar Basic” and “IRA Seminar Intermediate”; seconded by Commissioner Flitcroft; unanimous vote; motion carried.

Ms. Maxwell presented the following instructors (Exhibit 6) who have submitted their information on the new Instructor Form. She has reviewed the Instructor Forms and the accompanying back up certificates, licenses and documents. She believes that the following individuals are currently qualified to teach the courses/disciplines for which they have sought approval from the Commission and based upon her review, she recommended that they be approved, if that is what the Commission decides.

1) Todd Clarke
2) Mark Cypert
3) Cherie Ganesh
4) William Lawrence
5) Charles McClure
6) Katya Naman
7) Bill Overman
8) Gary Ralston
9) Robert Robideaux
10) James Rosen
11) Sandy Shindleman
12) Mark Van Ark
13) Larry Baumgartner
14) Peter Barnett
15) Jeannine Barreta
16) Frank Bella
17) Lydia Bennett
18) David Bickell
19) Clifford Bogart
20) Barbara Bushnell
21) Steve Cannariato
22) William Cantey
23) Walter Clements
24) Jeremy Cyrier
25) Jane Ferrara
26) Joseph Fisher
27) Michael Haley
28) Tim Hatlestad
29) Dennis Hearst
30) Eric Hillenbrand
31) Joseph Larkin
32) Alfred Lau
33) Pius Leung
34) Carmela Ma
35) William Mohr
36) Brian Nelson
37) Laurens Nicholson
38) Steven Price
39) Larry Rothacher
40) Blaine Strickland
41) Andre J. Van Rensburg
42) Soozi Jones Walker
43) Garry Weiss
44) Paul Wilhite
45) Karl Landreneau
46) Ryan Lorey
47) Alec Pacella
48) Charles Wieeinski
49) Patricia Lynn
50) Gail Wallin Johnson
51) Edward Dana Simmons Jr.
52) Janet Pace (no pre lic)
53) Cheryl Richmond (no pre lic)
54) Mike Orman
55) Troy Lee Caraway
56) David R Smith
57) Kevin E Figg
58) Carole S. Neeley
59) Earl Lauderdale
60) Robert Hunter
61) Sanford Botkin
62) Ronald E. Poe
63) Ryan Byrne
64) Jeffrey Moore
65) Adorna O. Carroll
66) Robert Stephenson
67) Majorie George
68) Sharon Walker
69) Mary Sharp
70) Arthur Reed
71) Bob Turner
72) Jo Walker Payton
73) Steven Payton
74) Curtis Hall
75) Timothy Bolding
76) Lisa Reid
77) Mary E. Scott
78) John Reilly
79) Felicia Roddy
80) Jack E. Dayton
81) Edithann Buckles Wadewitz
82) Fred Goodwin
83) Clarissa Hills
84) Jim Lynn
85) Karen Denise Marler
86) Marie Levi
87) Richard Casada
88) Grace Jenkins
89) Rebecca Ray
90) John Stovall
91) William Carl Nichols
92) Vicki G Boyd
93) Carlos Carter
94) Joe Mack Chandler
95) Randall Fly
96) Joe C. Johnson
97) Sandy Ornelas
98) Michael Pappas
99) Opal Privette
100) Gary Lacefield
101) Kay Kerr
102) Beverly Harris
103) Rick J. Bearfield
104) Carol A Culpepper
105) Juanita Hamilton
106) Peter Meer
107) Vickie Gaskill
108) Mark Kreditor
109) Betty Fletcher
110) Fred Thompson
111) David Holt
112) Darryl Lee Kazen
113) Raymond Scarabosio
114) Kittredge McCrary Garren
115) Donna P. Reeves
116) William Ken Barnes
117) Jim Gibbs
Vice-Chairman Northern made a motion to approve the above 136 instructors; seconded by Commissioner Tate; unanimous vote; motion carried.

There was a discussion regarding Rule 1260-2-.02 [Termination of Affiliation]. In part, Rule 1260-2-.02(1) states that within ten (10) days after the date of release, the licensee shall complete the required administrative measures for change of affiliation, temporary retirement, or (if eligible for temporary retirement) placement in “inactive” status. A discussion regarding licensees not taking proper administrative measures was held specifically related to licensees staying in “broker release” status for longer than 10 days. Implementing new administrative measures such as possible license suspension or developing a new license status to better identify licensees who are not active, inactive or retired was discussed as a potential solution to a licensee remaining in broker release status for more than 10 days.

There was a brief discussion regarding progress being made in hiring a new Education Director. The Commission would like an update on the progress at each monthly meeting.

Ms. Maxwell advised the Commission that the proposed rule changes are at the Attorney General’s Office for review. She also outlined newly passed legislation that affects the real estate industry.

Carla Dunn, President of the Northeast Tennessee Association of Realtors, addressed the Commission and thanked them for visiting Kingsport and offering the local licensees an opportunity to attend a meeting of the Tennessee Real Estate Commission.
Licensees attending the meeting for continuing education asked questions of the Commission and made various comments regarding broker release administrative procedures, Errors & Omissions insurance renewal and compliance, and single licensure.

Chairman Collins recessed the meeting for lunch at 11:15 a.m. The meeting reconvened at 1:13 p.m.

**LEGAL REPORT, ROBYN RYAN, GENERAL COUNSEL (EXHIBIT 8)**

1) 2007081111 – Commissioner Stephenson made a motion to accept legal counsel’s recommendation to dismiss; seconded by Vice-Chairman Northern; unanimous vote; motion carried.

2) 2007083301 – Vice-Chairman Northern made a motion to accept legal counsel’s recommendation to close and refer to the Auctioneer Commission; seconded by Commissioner Tate; unanimous vote.

3) 2005034131 – Vice-Chairman Northern made a motion to accept legal counsel’s recommendation to close and flag the file; seconded by Commissioner Tate; unanimous vote.

4) 2008012841 – The complaint was deferred and Commissioner Tate will review it.

5) 2007050761 – The complaint was deferred until the November 2009 meeting.

6) 2007063971 – Commissioner Flitcroft made a motion to accept legal counsel’s recommendation to issue a Letter of Warning for Failure to Respond and require attendance at a two day Commission meeting within six (6) months; seconded by Commissioner Tate; unanimous vote; motion carried.

7) 2008015911 &

8) 2008015912 – Commissioner Joh made a motion to dismiss as to Respondent 1; seconded by Commissioner Tate; unanimous vote; motion carried. Commissioner Joh made a motion to issue a Consent Order with a civil penalty of $1,000.00 for misrepresentation, open a new complaint for failing to carry Errors & Omissions insurance and for failure to follow administrative measures after being broker released; seconded by Commissioner Stephenson; Commissioner Tate offered an amendment to require Respondent 2 to attend eight (8) hours of continuing education at a two day Commission meeting; seconded by Commissioner Joh; the amendment passed unanimously; motion as amended passed unanimously.

9) 2007083901 &

10) 2007083902 – Vice-Chairman Northern made a motion to accept legal counsel’s recommendation to dismiss as to Respondent 1 and close and flag as to Respondent 2; seconded by Commissioner Joh; unanimous vote; motion carried.

11) 2007080381 &

12) 2007080382 – Commissioner Stephenson made a motion to accept legal counsel’s recommendation to dismiss as to both respondents; seconded by Vice-Chairman Northern; unanimous vote; motion carried.
13) 2007081701 – Commissioner Joh made a motion to accept legal counsel’s recommendation to issue a Consent Order of Revocation 62-13-312(b)(12) [failing to disclose conviction] and 62-13-312 (b)(16) [failing to complete administrative measures]; seconded by Commissioner Tate; unanimous vote; motion carried.

14) 2007080501 &
15) 2007080502 – Commissioner Flitcroft made a motion to accept legal counsel’s recommendation to dismiss as to Respondent 1 and close and flag the file for failure to maintain Errors & Omissions insurance as to Respondent 2; seconded by Commissioner Tate; unanimous vote; motion carried.

16) 2007081841 – Commissioner Joh made a motion to dismiss; seconded by Vice-Chairman Northern; unanimous vote; motion carried.

17) 2007080721 &
18) 2007080722 – Vice-Chairman Northern made a motion to dismiss; seconded by Commissioner Joh; unanimous vote; motion carried.

19) 2007080121 – Commissioner Joh made a motion to accept legal counsel’s recommendation to dismiss; seconded by Vice-Chairman Northern; unanimous vote; motion carried.

20) 2007081141 – Commissioner Joh made a motion to dismiss; seconded by Vice-Chairman Northern; unanimous vote; motion carried.

21) 2007081811 – Vice-Chairman Northern made a motion to dismiss; seconded by Commissioner Joh; unanimous vote; motion carried.

22) 2007081201 – Vice-Chairman Northern made a motion to dismiss; seconded by Commissioner Joh; unanimous vote; motion carried.

23) 2007081691 – Commissioner Stephenson made a motion to dismiss; seconded by Commissioner Flitcroft; Commissioner Joh made a friendly amendment to send a Letter of Instruction to the principal broker; seconded by Commissioner Flitcroft; amendment passed unanimously; motion as amended passed unanimously.

24) 2007081231 – Commissioner Flitcroft made a motion to accept legal counsel’s recommendation to dismiss; seconded by Commissioner Tate; unanimous vote; motion carried.

25) 2007070871 – Commissioner Joh made a motion to issue a Consent Order with a civil penalty of $500.00 for failure to include all terms in the contract to purchase, 1260-2-11 [Disclosing Personal Interest] and requiring eight (8) hours of continuing education in contract writing within six (6) months; seconded by Commissioner Flitcroft; unanimous vote; motion carried.

26) 2007081021 – Commissioner Joh made a motion to send a Letter of Warning and issue a Consent Order requiring eight (8) hours of continuing education in contracts; seconded by Commissioner Flitcroft; unanimous vote; motion carried.

27) 2007083171 – Commissioner Joh made a motion to send a Letter of Warning regarding 62-13-403 (1) [Exercising reasonable skill
and care] and issue a Consent Order requiring the respondent to attend eight (8) hours of continuing education in contract writing; seconded by Commissioner Tate; unanimous vote; motion carried.

28) 2007082391 – Vice-Chairman Northern made a motion to dismiss; seconded by Commissioner Joh; unanimous vote; motion carried.

29) 2007081961 – Commissioner Tate made a motion to accept legal counsel’s recommendation to refer the complaint to the District Attorney; seconded by Commissioner Joh; unanimous vote; motion carried.

30) 2007081901 &

31) 2007081902 – Commissioner Flitcroft made a motion to accept legal counsel’s recommendation to dismiss as to Respondent 2 and dismiss as to Respondent 1 but open a complaint for failure to carry Errors & Omissions insurance; seconded by Commissioner Joh; unanimous vote; motion carried.

32) 2007083851 – Commissioner Tate made a motion to dismiss; seconded by Commissioner Joh; unanimous vote; motion carried.

33) 2007084591 – Commissioner Tate made a motion to dismiss; seconded by Commissioner Stephenson; unanimous vote; motion carried.

34) 2007085931 – Commissioner Tate made a motion to dismiss; seconded by Commissioner Stephenson; unanimous vote; motion carried.

Ms. Ryan reviewed the Legal File Summary and Consent Order Log with the Commission.

Chairman Collins recessed the meeting Thursday, October 1, 2009 at 2:52 p.m.

TENNESSEE REAL ESTATE COMMISSION
October 1 - 2, 2009

The Tennessee Real Estate Commission reconvened on October 2, 2009 at 9:07 a.m. at the Kingsport Center for Higher Education, 1st floor meeting room, 300 Market Street, Kingsport, TN 37660. The following Commission Members were present Chairman Grover Collins, Vice-Chairman Isaac Northern, Commissioner David Flitcroft, Commissioner Carol Tate, Commissioner Valerie Joh and Commissioner William “Bear” Stephenson. Commissioner Woods was absent because he was required to be in court. Commissioner Haynes and Commissioner Alexander were absent. Others Present: Eve Maxwell, Executive Director, Robyn Ryan, Assistant General Counsel, Mandy Spencer, Paralegal and Kelly McDermott, Administrative Secretary.

The Commission stood in recess at 9:08 a.m. to conduct a formal hearing in the matter of Robert A. Leedy, license #219044, Docket # 12.18-099066A.
The Commission voted to revoke the license of Robert A. Leedy, license #219044, Docket #12.18-099066A and issue a Consent Order with a civil penalty of $2,000.00. The Commission also voted to require Robert A. Leedy to pay the court costs of the formal hearing.

The Commission reconvened at 12:08 p.m. for regular business at the conclusion of the formal hearing.

**COMMISSIONER REPORTS**
Chairman Grover Collins, Vice-Chairman Isaac Northern, Commissioner Valerie Joh, Commissioner Carol Tate, Commissioner David Flitcroft and Commissioner Stephenson reported on matters of concern to them and to the Commission.

Chairman Collins adjourned the meeting Friday, October 2, 2009 at 12:22 p.m.