The Tennessee Real Estate Commission convened on November 3, 2010 at 9:13 a.m. in the Davy Crockett Tower at 500 James Robertson Parkway, Room 160, Nashville, TN 37243. The following Commission Members were present: Chairman Isaac Northern, Vice-Chairman Allen Woods, Commissioner Grover Collins, Commissioner William “Bear” Stephenson, Commissioner Valerie Joh, Commissioner Wendell Alexander and Commissioner Michelle Haynes. Commissioner David Flitcroft and Commissioner Carol Tate were absent. Others Present: Eve Maxwell, Executive Director, Steve McDonald, Education Director, Robyn Ryan, Assistant General Counsel, Alex Dickerson, Assistant General Counsel and Kelly McDermott, Administrative Secretary.

The first order of business was the adoption of the agenda (Exhibit 1) for the November 2010 Commission meeting. Commissioner Collins made a motion to adopt the agenda for the November 2010 meeting; seconded by Commissioner Joh; unanimous votes; motion carried.

The next order of business was the approval of the minutes from the October 2010 meeting (Exhibit 2). Commissioner Stephenson made a motion to approve the October 2010 meeting minutes; seconded by Commissioner Joh; unanimous vote; motion carried.

Wayne Pugh, Deputy General Counsel for the Department of Commerce & Insurance, addressed the Commission regarding changes in the structure of the legal section for the Division of the Regulatory Boards. He explained that Ms. Robyn Ryan, TREC’s current attorney is going to move to a litigation team that was created to assist the division in holding more formal hearings. Mr. Pugh introduced TREC’s new board attorney, Alex Dickerson and advised the Commission that Ms. Ryan will still litigate TREC’s formal hearings.

Steve Majchrzak, Assistant Commissioner of the Division of Regulatory Boards, addressed the Commission regarding several changes within the division. He complimented the legal staff and TREC staff for their success with complaint processing. He reported there has been a 26% reduction in cases that have been open for more than 180 days and that TREC specifically is hearing 98% of their cases prior to them being open 180 days. He stated that he believes that the restructuring of the legal department is instrumental to the success of the division. For instance, if a board has two attorneys who are familiar with the board’s cases then if there is any kind of personnel turnover, the interests of the board are protected by having continuity of attorneys. Assistant Commissioner Majchrzak discussed with the Commission a letter written to him on behalf of the Commission regarding electronic payments online. He advised that the department is working on this issue with the Information System’s staff. He stated that they are working to make online payments possible for all transactions that require payment. He further explained that there are going to be changes made to the processes currently in place in the mailroom and the cashier’s office in that the process will be reversed. Board staff members who are responsible for deposits will
open the mail and enter transaction codes and other information into the RBS computer system and then the payments and paperwork will be sent on to the cashier’s office for processing. He stated that this reversal in the process will shorten the time it will take for money to be applied to a licensee’s computer file. Furthermore, he stated that the board staff will be familiar with that particular board’s coding issues, therefore reducing errors in processing. He explained that the ultimate goal is to, overtime, move the designated board staff back to the Regulatory Boards offices. The Commission asked Ms. Maxwell for her opinion regarding the change in process. She stated she believes some transactions might be more expeditiously handled but did advise that in the case of a transfer Errors & Omissions insurance must be verified in the office to process the change. Chairman Northern stated that he is looking forward to the changes as they will help resolve problems resulting from a recent rule change by TREC.

Commissioner Michelle Haynes joined the meeting at 9:41 a.m.

**EXECUTIVE DIRECTOR’S REPORT, EVE MAXWELL, EXECUTIVE DIRECTOR**

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

- **Complaint Statistics Report (Exhibit 3)** – Ms. Maxwell presented licensing statistics to the Commission. As of October 29, 2010, TREC had a total of 116 open complaints. Of those 116 open complaints, 57 were Errors & Omissions insurance complaints. There were 32 new complaints in October 2010. There are 108 complaints in the legal department and 8 open complaints in the TREC office awaiting response. The total number of closed complaints for the current Fiscal Year 2010-2011 is 56. Total Civil Penalties paid in October 2010 were $31,810.00.

- **Licensing Statistics (Exhibit 4)** – Ms. Maxwell presented licensing statistics for the month of October 2010. As of October 29, 2010, there were 26,733 active licensees, 1,449 inactive licensees and 10,419 retired licensees. There were 4,370 active firms and 343 retired firms. There were 220 new applications approved in October 2010. Further, she presented a comparison of total licensees for individuals (active, retired and inactive) and firms in 2005, 2006, 2007, 2008, 2009 and 2010. She also presented license renewal percentages and the number of licenses approved in 2006, 2007, 2008, 2009 and 2010, individual licensees lost and gained from 2000 – 2010 and the average number of licensees (individuals) issued per month for each year from 2000 -2010. Mr. McDonald, Education Director, presented bar graphs reflecting trends in test taking. The graphs were comprised of test taking statistics for 2007, 2008, 2009 and 2010 and the year to date testing totals and trends for Affiliate Brokers, Brokers, Timeshare Salesperson and Acquisition Agents.

Mr. Jack Spann, an attorney and an insurance agent with a specialty in bonds for Spann Insurance, Inc. and who has also worked with Financial Institutions on surety bond question addressed the Commission upon request from Ms. Maxwell and Ms. Ryan. Ms. Maxwell explained to the Commission that they believe that Mr. Spann would be a great resource to answer questions about the mechanics and cost of surety bonds. Mr. Spann
and the Commission had a detailed discussion regarding surety bonds as the Commission has considered requiring bonds for Vacation Lodging Services.

Ms. Maxwell gave the Commission an update on the Errors & Omissions renewal process. She provided information about when Rice Insurance sent renewal notices to the firm address as reflected on TREC’s records and to how many licensees they were sent on October 18, 2010. She advised that licensees have already begun renewing and it is a promising start to the renewal process.

Ms. Maxwell advised the Commission that PSI would like the Commission to put together a Subject Matter Expert (SME) team to assist in a review of the state specific test items for the Timeshare Salesperson exam. She explained that PSI has stated that there are probably about 35 items which need to be reviewed based upon the statistical performance of these items. She advised that it is anticipated that the review will take two to three hours and it would be accomplished by mean of webinar. She explained that in the past reviews involving Broker and Affiliate exams, the Commissioners have usually selected individuals who they believe would be both interested and qualified to participate in the maintenance item review. She stated that the licensees participating would join Steve McDonald, TREC’s Education Director, herself and PSI representatives in reviewing the state specific exam questions. After discussion, Commissioner Valerie Joh volunteered to participate with the team and the Commission was asked to consider any suggestions for participants and communicate those to Ms. Maxwell at a later date.

Chairman Northern raised an issue that was not on the agenda that he felt appropriate to discuss during Ms. Maxwell’s report. Since the Staff was unfamiliar with the issue, as correspondence was sent only to the Commissions, the topic was deferred until Staff has an opportunity to review the information. Commissioner Alexander made a motion to have Staff review the information and if they deem it necessary report back to the Commission; seconded by Commissioner Joh; unanimous vote; motion carried.

**EDUCATION REPORT, STEVE MCDONALD, EDUCATION DIRECTOR**

Mr. Steve McDonald, Education Director, presented Courses for Commission Evaluation for the month of November 2010. There was only one course for evaluation on the November report. Commissioner Woods made a motion to approve the course “Contracts & Agency for Real Estate and Auction Professionals” and the course instructor Rhessa Orr of the Nashville Auction School; seconded by Commissioner Stephenson; unanimous vote; motion carried.

Mr. McDonald advised the Commission that the course renewal process has concluded. He went over the number of prelicensing classes to be offered and stated that they are seasoned across the State of Tennessee and provide sufficient approved courses available to be taken by applicants from all regions of Tennessee. Mr. McDonald further advised that 99 course providers did not renew their course or courses.

Mr. McDonald explained to the Commission that at the last education seminar at GNAR, TAR President-Elect Emil Mongeon approached him regarding the possible development of an E&O course. Mr. McDonald explained that the most positive feedback from the
seminars is regarding Stuart Prather’s, Rice Insurance’s attorney, presentation regarding the E&O policy. There was discussion among the Commissioners regarding the value of offering such a course. Mr. McDonald stated he brought the issue before them to get a feel for their interest in the development of an E&O course. It was ultimately decided that without knowing the content of such a course, that the Commission would after the discussion take it under advisement and discuss it at a later meeting. **Commissioner Stephenson made a motion that the Commission take the suggestion under advisement, consider it and put it on a future agenda for additional discussion; seconded by Commissioner Alexander; opened to discussion; Commissioner Joh and Commissioner Woods stated they believed it would be valuable to know of the course content and/or outline; unanimous vote; motion carried.**

Mr. McDonald stated that the owner of the Little Red School of Real Estate complied with an audit request by TREC but he did not ultimately renew his courses.

Chairman Northern recessed the meeting for lunch at 11:37 a.m. and reconvened at 1:35 p.m.

**AFFILIATE BROKER APPLICANT INFORMAL CONFERENCE**

Richard J. Garrett, applicant, appeared with his potential Principal Broker Robert “Bobby” S. Powers to request he be approved to apply for an Affiliate Broker license. Mr. Garrett disclosed to the Commission a conviction in military court for Possession with Intent to Distribute in 2005 and a conviction for Criminal Trespass in 2009. The Commission also spoke to Mr. Garrett’s father Broker Richard Garrett who will mentor his son if approved. **Commissioner Collins made a motion to approve Mr. Garrett’s request to be approved to apply for an affiliate broker license; seconded by Commissioner Stephenson; unanimous vote; motion carried.**

**LEGAL REPORT, ROBYN RYAN, ASSISTANT GENERAL COUNSEL**

1) 2010029751 – Vice-Chairman Woods made a motion to accept legal counsel’s recommendation to send a Letter of Warning regarding T.C.A. §62-13-104(3)(A)(ii) [receiving all offers and counter offers and forwarding them promptly to the client]; seconded by Commissioner Collins; unanimous vote; motion carried.

2) 2010029851 - Commissioner Alexander made a motion to accept legal counsel’s recommendation to dismiss; seconded by Commissioner Haynes; unanimous vote; motion carried.

3) 2010030781 – Commissioner Collins made a motion accept legal counsel’s recommendation to issue a Consent Order with a civil penalty of $1,000.00 for violating T.C.A. §62-13-313(2) [failing to respond within 10 days]; seconded by Commissioner Joh; Commissioner Alexander made a friendly amendment to also require the Respondent to attend a two day TREC meeting within six (6) months; Commissioner Collins and Commissioner Joh accepted the friendly amendment; unanimous vote; motion as amended carried.
4) 2010029051 – Vice-Chairman Woods made a motion to accept legal counsel’s recommendation to issue a Consent Order with a civil penalty of $1,000.00 and further require the Respondent attend a two day TREC meeting within six (6) months for violating T.C.A. §62-13-312(20) [improper or dishonest conduct or dealing]; seconded by Commissioner Collins; unanimous vote; motion carried.

5) 2010029371 &

6) 2010029372 &

7) 2010029373 – Commissioner Stephenson made a motion to accept legal counsel’s recommendation to dismiss as to all Respondents; seconded by Vice-Chairman Woods; unanimous vote; motion carried.

8) 2010029401 &

9) 2010029402 – Vice-Chairman Woods made a motion to accept legal counsel’s recommendation to dismiss as to both Respondents; seconded by Commissioner Haynes; unanimous vote; motion carried.

10) 2010029501 – Commissioner Alexander made a motion to accept legal counsel’s recommendation to send a TREC Auditor to review the books and contracts concerning this house and he further extended his motion to include a full audit of the firm; seconded by Vice-Chairman Woods; unanimous vote; motion carried.

11) 2010027541 – Commissioner Alexander made a motion to accept legal counsel’s recommendation to issue a Consent Order with a civil penalty of $1,000.00 for violating T.C.A. §62-13-104(7)(A)(v) [failing to account for monies belonging to others]; seconded by Commissioner Joh; unanimous vote; motion carried.

12) 2010027551 – Commissioner Collins made a motion to accept legal counsel’s recommendation to issue a Consent Order with a civil penalty of $1,000.00 for violating T.C.A. §62-13-313(2) [failure to respond] and T.C.A. §62-13-312(14) [violating any provision of the chapter]; seconded by Vice-Chairman Woods; unanimous vote; motion carried.

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

Ms. Ryan performed a policy review with the Commission. She presented a copy of all TREC policies that are current and asked the Commission to review each policy and determine whether it shall stand or be removed because it is no longer applicable. The Commission decided by consensus or vote the following action for each policy:

- **2010-CPS-001 Principal Broker Required to Appear for Informal Conferences** – The policy stands.
- **2009-CPS-008 Delinquent Errors and Omissions Insurance Penalty** – Commissioner Collins made a motion to delete the policy because the dates are not applicable at this time; seconded by Vice-Chairman Woods; opened to discussion; no vote because after discussion, it was decided to defer further action until a new E&O policy is adopted by the Commission.
- **2009-CPS-004 Commission Ethics Course** – The policy stands.
- 2009-CPS-003 Certified Copy of Conviction Required – The policy stands.
- 2009-CPS-002 Priority Given to Egregious Complaints – The policy stands.
- 2009-CPS-001 Rule 1260-2-.09 Deposits and Earnest Money - Commissioner Alexander made a motion to delete the policy as it now a Rule; seconded by Vice-Chairman Woods; unanimous vote; motion carried.
- 2008-CPS-001 Reinstatement of an Expired License – The policy stands.
- 2007-CPS-002 Lapsed Errors and Omissions Insurance – Action was deferred until the December meeting.
- 2001-CPS-004 Principal Brokers Employed Outside Real Estate Profession Who Engage Affiliates – Action was deferred until the December meeting to review legislation with a potential effect on the policy.
- 2001-CPS-001 Interest Bearing Escrow Accounts – The policy stands.
- 2000-CPS-002 Duplicate or Confusingly Similar Names – The policy stands.
- 2000-CPS-001 Credit for Post License Education Taken in Another Jurisdiction Prior to Licensure in Tennessee – The policy stands.
- 1995-CPS-003 The Conduct of Receiving Fees or Rebates from Home Inspectors by Real Estate Licensees for Referring Business Constitutes Improper Dealing and As Such Violates T.C.A. 62-13-312(20) The policy stands.
- 1994-CPS-003 Instructor Course – Action was deferred until the December meeting for further review by Staff
- 1989-CPS-005 Commissions Earned by Affiliate Brokers – The policy stands.

Ms. Ryan presented a draft of a policy requested by the Commissioners at the previous month’s meeting. The policy concerns administrative measures to be taken if a Principal Broker unexpectedly leaves a firm or is absent for an extended period of time. Ms. Ryan advised the Commission that this issue needs to be addressed by rulemaking but the Commission agreed there should be a stopgap measure in place until a new rule can be proposed. Commissioner Alexander made a motion to adopt the draft policy as presented until a new rule is proposed; seconded by Commissioner Haynes; unanimous vote; motion carried.

Ms. Ryan reviewed the proposed rule changes with the Commission. The proposed rule changes below are regarding Vacation Lodging Services.

Vacation Lodging Services Proposed Rules

**Designated agent qualifications**

1. To qualify for a Designated Agent licensee:

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a. Applicants must have a high school diploma or a GED.
b. Applicants must have certified proof of completion of eight hours of pre licensing course.
c. Applicants must not have any criminal conviction involving theft, embezzlement or any like crime. If an applicant has such a criminal conviction, that applicant must appear before the Commission in the application process.

Designated agent responsibilities

1. Each VLS firm shall have a licensed designated agent who will supervise any employee of the VLS
2. Designated agents shall be reasonably available to manage and supervise the VLS office during regular business hours.
3. Each VLS firm shall post a one year surety bond in the amount of $25,000.00 for each office location and the designated agent working at that office.
4. The designated agent shall maintain the VLS escrow account.

Civil Penalties

The Commission may in a lawful proceeding regarding any person required to have a Designated Agent license and/or a Vacation Services Lodging licensee, assess a civil penalty for each violation of a statute, rule or other order. This penalty can be in addition to or in lieu of any other lawful disciplinary action. The Commission may assess such penalties pursuant to the following:
T.C.A. 62-13-104(b)(3)(C) $200-$1000
T.C.A. 62-13-104(b)(3)(D)(i) $200-$1000

T.C.A. 62-13-104(b)(7)(B)(i) $250-$1000
(ii) $250-$900
(iii)$300-$1000
(iv)$100-$800
(v)$300-$1000
(vi)$200-$900
(vii)$100-$800
(viii)$200-$900
(ix)$300-$1000
(x)$300-$1000
(xi)$50-$1000
(xii)$250-$1000
(xiii)$200-$1000

T.C.A. 62-13-104(b)(8)(A)(i) $200-$1000
T.C.A. 62-13-104(b)(10)(A) $25-$1000

Advertising

All advertising, regardless of its nature or medium, promoting the VLS rentals shall confirm to the requirements of this rule.
1. The trade name as well as the appropriate “D/B/A” local firm name must appear in all advertising. The telephone number of each must also appear.
2. In internet advertising, the firm name and number must appear on each page.
3. All advertisement, regardless of the media, must have the firm name and license number.
4. All signage must display the firm name, firm telephone number and firm license number.

**VLS Instructor Qualifications**

To be eligible as a VLS instructor,

1. Must hold a licensee as a Designated Agent under the VLS Act; or.
2. Have a minimum of three (3) years experience in Vacation Lodging Services.
3. If a course concerns any other field in which a degree, certification or other recognized designation is commonly awarded, then the VLS instructor must have earned that degree or designation, or has at least three (3) years of satisfactory experience in the field.

All VLS instructors:

1. Must have a high school diploma or a GED.
2. Must not have any outstanding complaints with the Tennessee Real Estate Commission that have not been resolved.

_The Commission may charge a fee of up to twenty-five dollars ($25.00) for each instructor in an education cycle in order to review that instructor’s qualifications._

Requiring a surety bond was revisited after the appearance by Mr. Spann earlier in the day. It was the consensus of the Commission that perhaps a bond should not only be required for the firm but also the Designated Agent and possibly the employees of the firm. Commissioner Alexander, who served on the VLS sub-committee, stated that requiring a bond would allow TREC to better police the industry and protect the consumers of Tennessee. There was discussion among the Commissioners and legal staff as to whether TREC has been granted the authority by the legislature to propose rulemaking to require bonds. It was discussed that even with the new VLS legislation, only the firm and the designated agent will be required to be licensed. The question was proposed to Deputy General Counsel Wayne Pugh who was present at the meeting during the discussion. Mr. Pugh explained that the Tennessee Real Estate Commission is a creation of statute and that TREC can only exercise the jurisdiction granted to them by the legislature and they cannot exceed that jurisdiction. Vice-Chairman Woods stated that although the legislature has given TREC some authority to promulgate rules, he wants to know how broad that authority is and what is the limit. It was agreed that this issue would need to be investigated further and discussed before rulemaking continues. Mr. Pugh referred back to statute and stated that although some industries do require employees be bonded, TREC must have legislative authority to propose such rule changes. He explained the difference between Policy and Rule to the Commission. He advised that if the Commission is dealing with the lives of someone outside of the Commission, then changes must be made by Rule. He further explained that a Policy should only direct the internal affairs of the Commission. Commissioner Collins stated that the Commission has a mission to protect the public and is doing so by implementing such Rules and Policies. Vice-Chairman Woods stated that the legislature has not specifically told TREC to protect the public in this area. Commissioner Alexander stated that TREC should make the effort to pursue the rule changes and if after public
hearing, rulemaking or the legislators do not approve the changes then at least the Commission has made an effort to better the VLS industry. **Commissioner Alexander made a motion to include in the proposed rule changes a requirement of a $25,000.00 bond for the VLS firm and the designated agent and a $10,000 bond for each employee of that firm; no second but opened to discussion.** Vice-Chairman Woods agreed with Commissioner Alexander except for the inclusion of the bond for employees as he does not think TREC has the authority to require employees other than the designated agent to carry a bond. Commissioner Alexander withdrew that component of his motion and restated the motion. He made a motion to include in the proposed rule changes a requirement of a $25,000.00 bond for the firm and the designated agent; Vice-Chairman Woods seconded the revised motion and the motion as revised passed unanimously. The Commission also discussed another topic addressed at the VLS sub-committee meeting. The sub-committee all agreed that the designated agent should have some kind of strong tie and stake in the business such as being the owner, principal officer or a member of upper level management. Vice-Chairman Woods suggested that “upper level management” be more clearly defined in the proposed rules.

Content of other Proposed Rule Changes:


**REPEAL Rule 1260-5-.11 Now codified T.C.A. §62-13-325**

**CORRECT Rule 1260-2-.32 Civil Penalties**

**1260-2-.32 CIVIL PENALTIES**

1. The Commission may, in a lawful proceeding respecting any person required to be licensed by the Commission, in addition to or in lieu of any other lawful disciplinary action, assess a civil penalty for each separate violation of a statute, rule, or order pertaining to the Commission with the following schedule:

<table>
<thead>
<tr>
<th>Violation Penalty</th>
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<tbody>
<tr>
<td>T.C.A. § 62-13-103(b) $ 50 — 1000</td>
</tr>
<tr>
<td>T.C.A. § 62-13-301 50 — 1000</td>
</tr>
<tr>
<td>T.C.A. § 62-13-312(b)</td>
</tr>
<tr>
<td>(1) 250 — 1000</td>
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<tr>
<td>(2) 200 — 900</td>
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<tr>
<td>(3) 300 — 1000</td>
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<tr>
<td>(4) 100 — 800</td>
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<tr>
<td>(5) (Deleted by 1988 Amendment)</td>
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<tr>
<td>(6) 300 — 1000 (5)</td>
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<tr>
<td>(7) 200 — 900 (6)</td>
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<td>(8) 300 — 1000 (7)</td>
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<tr>
<td>(9) 100 — 800 (8)</td>
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<td>(10) 200 — 900 (9)</td>
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<td>(11) 300 — 1000 (10)</td>
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<td>(12) 250 — 1000 (11)</td>
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</tbody>
</table>
(13) 300 — 1000 (12)
(14) 300 — 1000 (13)
(15) 50 — 1000 (14)
(16) 250 — 1000 (15)
(17) 250 — 750 (16)
(18) 200 — 900
(19) 200 — 950 (17)
(20) 250 — 1000 (18)
Violation Penalty
(21) 250 — 1000 (19)
(22) 200 — 1000 (20)
(23) 100 — 1000 (21)
Violation Penalty
T.C.A. § 62-25-103(a) 50 — 1000
T.C.A. § 62-25-107(b)
(1) 250 — 1000
(2) 250 — 1000
(3) 300 — 1000
(4) 50 — 1000
T.C.A. § 66-32-121(f)
(1) $250 — 1000
(2) 100 — 1000
(3) 200 — 1000
(4) 300 — 1000
(5) 250 — 1000
(6) 250 — 1000
(7) 400 — 1000
(8) 350 — 1000
(9) 400 — 1000
(10) 250 — 1000

(2) With respect to any person required to be licensed by the Commission as a real estate broker who is not licensed, the Commission may assess a civil penalty against such person for each separate violation of a statute in accordance with the following schedule:
Violation Penalty
T.C.A. § 62-13-102 $1,000
T.C.A. § 62-13-103 $1,000
T.C.A. § 62-13-105 $1,000
T.C.A. § 62-13-109 $1,000
T.C.A. § 62-13-110 $1,000
T.C.A. § 62-13-301 $1,000
T.C.A. § 62-13-312 $1,000

(3) Each day of a continued violation may constitute a separate violation.
(4) In determining the amount of a civil penalty the Commission may consider such factors as the following:
(a) whether the amount imposed will be a substantial economic deterrent to the violation;
(b) the circumstances leading to the violation;

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(c) the severity of the violation and the risk of harm to the public;
(d) the economic benefits gained by the violator as a result of noncompliance;
and
(e) the interest of the public.

**Authority:** T.C.A. §§ 56-1-308 and 62-13-203.

Vice-Chairman Woods made a motion to modify Rule 1260-2-.32 [civil penalties] to state that a maximum penalty of $1,000.00 may be assessed for any of the listed violations; seconded by Commissioner Stephenson; unanimous vote; motion carried.

Ms. Ryan discussed proposing a rule change to address required administrative measures to be taken by a firm if a Principal Broker leaves a firm unexpectedly or is absent for an extended period of time. **Vice-Chairman Woods made a motion to accept legal counsel’s recommendation to take the policy (2010-CPS-002) approved earlier in the meeting and include it in the proposed rule changes; seconded by Commissioner Joh; unanimous vote; motion carried.**

Ms. Ryan presented the Commission with a request from a licensee regarding Rule 1260-2-.36. She stated that she believes the licensee thinks the rule is not inclusive enough for clarity although she stated she is not sure of the exact intent of the request. **Commissioner Joh made a motion to leave Rule 1260-2-.36 as it is and disregard the request pertaining to the buyer representative agreement; seconded by Commissioner Collins; unanimous vote; motion carried.**

There was a brief discussion regarding the next day’s business. The Chairman addressed the Commission regarding the possibility of losing the quorum required to hold the meeting/hearing. However, it was determined that there would be no issue as Commissioner Joh agreed to adjust her schedule and stay if the formal hearing was lengthy.

Chairman Northern recessed the meeting Wednesday, November 3, 2010 at 3:10 p.m.

**TENNESSEE REAL ESTATE COMMISSION**  
November 3 – 4, 2010

The Tennessee Real Estate Commission convened on November 4, 2010 at 9:12 a.m. in the Davy Crockett Tower at 500 James Robertson Parkway, Room 160, Nashville, TN 37243. **The following Commission Members were present Chairman Isaac Northern, Vice-Chairman Allen Woods, Commissioner Grover Collins, Commissioner Valerie Joh, Commissioner Michelle Haynes and Commissioner Wendell Alexander. Commissioner William “Bear” Stephenson, Commissioner Carol Tate and Commissioner David Flitcroft were absent. Others Present: Eve Maxwell, Executive Director, Steve McDonald, Education Director, Robyn Ryan, Assistant General Counsel, Alex Dickerson, Assistant**
General Counsel, Mandy Spencer, Paralegal and Kelly McDermott, Administrative Secretary.

The Formal Hearing for Billy Featherstone, Sr., licensee #24313, complaint #2010021001, Docket #12.18-109321 and Billy Featherstone, Jr., licensee #258552, complaint #2010020761 & 2010021002, Docket #12.18-109322 convened at 9:13 a.m.

Regarding this matter, at the request of the Respondents for time to secure an attorney, and with the approval of the Commission, the Respondent and the State of Tennessee agreed as follows:

1. This matter shall be continued until January 12, 2011 at 9:00 a.m.
2. Respondents shall pay the travel expenses of the witnesses for the State of Tennessee for their appearance on November 4, 2010 in the amount of $600.00. Respondents shall pay this on or before January 12, 2011.
3. Respondent’s real estate licensees, #24313, and #258552 shall be suspended as of November 10, 2010 at 5:00 p.m. and shall remain suspended pending further orders of this Commission.
4. Respondents understand that no further continuances will be granted based on the inability to secure an attorney.

The formal hearing adjourned at 10:56 a.m.

Vice-Chairman Woods made a motion to adjourn the meeting; seconded by Commissioner Alexander; unanimous vote; motion carried.

Chairman Northern adjourned the meeting Thursday, November 4, 2010 at 10:57 a.m.