The Tennessee Real Estate Commission held a meeting October 4, 2018 at 8:30 a.m. EST at The Higher Education Center located at 300 West Market Street Kingsport, TN 37660. The Meeting was called to order by Chairman John Griess.

Chairman John Griess welcomed everyone to the Board meeting.

Executive Director Caitlin Maxwell read the public disclaimer and called the roll. The following Commission Members were present: Chairman John Griess, Commissioner Diane Hills, Commissioner Marcia Franks, Commissioner Bobby Wood, Commissioner Gary Blume, and Commissioner Fontaine Taylor. Commissioner Johnny Horne, Commissioner Austin McMullen, and Commissioner Richard Douglass were absent. Quorum Confirmed. Others present: Chief Counsel Denard Mickens, Assistant General Counsel Anna D. Matlock, Assistant General Counsel Erica Smith, Assistant General Counsel Kelsey J. Bridges, paralegal Amanda Dean, Executive Director Caitlin Maxwell, and Education Director Ross White.

The October 4, 2018 board meeting agenda was submitted for approval.

Motion to approve the agenda was made by Commissioner Taylor, and seconded by Commissioner Hills. Commissioner Wood requested “Legal Summary in regards to Timeshare” be added to the agenda under Commission Discussions. Motion passed unanimously.
Minutes for the September 5, 2018 board meeting were submitted for approval.

Motion to approve the September 5, 2018 minutes was made by Commissioner Franks and seconded by Commissioner Wood. Motion passed unanimously with Commissioner Blume abstaining.

EDUCATION REPORT

Education Director Ross White presented the Education Report to the Commission.

Motion to approve courses O1-O18 with the exception of O-12, O-15, and O-16 was made by Commissioner Hills and seconded by Commissioner Wood. Motion passed unanimously.

Further discussion of course O-12 a motion to not approve was made by Commissioner Franks, and seconded by Commissioner Blume. Motion passed unanimously.

Further discussion of course O-15 a motion to approve with direction to monitor to assure no products are being sold was made by Commissioner Franks, and seconded by Commissioner Blume. Motions passed unanimously.

Further discussion of course O-16 a motion to approve was made by Commissioner Hills, and seconded by Commissioner Franks. Motion passed unanimously.

Motion to approve Instructors presented was made by Commissioner Franks and seconded by Commissioner Hills, with exception to Charity Faile held for further discussion. Motion passed unanimously.

Further discussion regarding Charity Faile, a motion to approve was made by Commissioner Wood, and seconded by Commissioner Blume. Motion approved 5-1 with Commissioner Franks voting against.

EXECUTIVE DIRECTOR’S REPORT

Executive Director Caitlin Maxwell updated the Commission on Errors and Omissions Insurance renewal, and provided the commission on the number of active licensee’s that we anticipate renewing through the State of Tennessee carrier RISC. The commission was updated on the CE course renewal process. In addition, the commission was briefed on the possibility of using webinars for future TREC projects.
MEDICAL WAIVER REQUEST

Executive Director Caitlin Maxwell, on the behalf of Toni Meola, presented before the Commission, the request for waiver of penalty fees for late renewal and license reinstatement due to medical issues.

Motion to approve the medical waiver request was made by Commissioner Franks and seconded by Commissioner Taylor. Motion passed unanimously.

Executive Director Caitlin Maxwell, on the behalf of Christen Padgett, presented before the Commission, the request for waiver of penalty fees for late renewal and license reinstatement due to medical issues.

Motion to approve the medical waiver request was made by Commissioner Franks and seconded by Commissioner Hills. Motion passed unanimously.

INFORMAL APPEARANCES

Brandon Kennedy appeared before the Commission along with manager John Hancock. Mr. Kennedy elected to decline his appearance, pending further documentation.

COMMISSION DISCUSSIONS

The Commission discussed adhering to a new process regarding complaints that are outside of the statute of limitations. They discussed that since these complaints are outside the statute of limitations and no action can be taken, if legal could include that in the beginning of the case information and leave the summary off.

The Commission discussed 2018-2019 Chair and Vice Chairman. The Commission elected Commissioner John Griess as Chairman of 2018-2019 meeting year. Motion was made by Commissioner Taylor and seconded by Commission Franks. Motion passed unanimously.

The Commission elected Commissioner Marcia Franks, as Vice-Chairman of the 2018-2019 meeting year. Motion was made by Commissioner Hills and seconded by Commissioner Wood. Motion passed unanimously.

Vice Chair Franks gave an update to the Commission on the annual ARELLO Conference. ARELLO in the coming months will offer online sessions to the Commissioner College which is broken down into six (6) sections. Further items discussed included: Auditors, unlicensed activity, an increase in CE, property management, virtual offices, and advanced commissions.

The ARELLO mid-year conference will be held in Salt Lake City, Utah. The dates are April 10-13th of 2019. Vice Chair Franks discussed her involvement in the leadership of ARELLO and her attendance at the Leadership planning weekend.
Motion was made by Commissioner Wood, and seconded by Commissioner Blume to cover the expenses of Vice Chair Franks, for attending the ARELLO planning weekend. Motion passed unanimously.

Executive Director Maxwell, shared information from ARELLO Administrative Round Table meeting as Occupational licensing is a growing issue trending for most states.

CONSENT AGENDA & LEGAL REPORT

Consent Agenda:

The following cases were presented to the Commission via a Consent Agenda. All cases were reviewed by legal, legal has recommended dismissal. Cases 2018032381, 2018034771, 2018034341, 2018037861, 2018036201, 2018027741, 2018031491, 2018032191 were pulled from the consent agenda.

The Motion to approve Cases 1-17 was made by Commissioner Hills and seconded by Commissioner Franks. Motion passed unanimously. Chairman Griess abstained from voting on Case No. 2018031381.

The Motion to approve Cases 18-48 was made by Commissioner Wood and seconded by Commissioner Taylor. Motion passed unanimously. Commissioner Hills abstained from voting on Case No. 2018032191.

| 1) 2018032361 | 12) 2018037861 | 23) 2018031471 | 34) 2018031141 | 45) 2018037841 |
| 2) 2018031381 | 13) 2018036161 | 24) 2018032171 | 35) 2018031171 | 46) 2018038981 |
| 3) 2018032231 | 14) 2018036201 | 25) 2018032301 | 36) 2018031491 | 47) 2018039961 |
| 4) 2018032381 | 15) 2018036781 | 26) 2018032911 | 37) 2018032191 | 48) 2018043151 |
| 5) 2018032661 | 16) 2018036421 | 27) 2018028631 | 38) 2018029861 |
| 6) 2018033841 | 17) 2018043111 | 28) 2018028671 | 39) 2018033801 |
| 7) 2018034191 | 18) 2018014161 | 29) 2018028901 | 40) 2018033891 |
| 8) 2018033691 | 19) 2018027921 | 30) 2018027711 | 41) 2018036401 |
| 9) 2018034771 | 20) 2018028021 | 31) 2018027741 | 42) 2018037601 |
| 10) 2018034341 | 21) 2018029311 | 32) 2018028331 | 43) 2018037561 |
| 11) 2018034671 | 22) 2018031421 | 33) 2018028391 | 44) 2018037621 |

After further discussion by the Commission, Cases: 2018032381, 2018034771, 2018034341, 2018036201 Commission voted unanimously to accept counsel’s recommendation. Case: 2018037861 Commission voted 5-0 with Commissioner Griess recusing himself. 2018027741, 2018031491, 2018032191 Commission voted unanimously to accept counsel’s recommendation.
Legal Report:

KELSEY BRIDGES

1. 2018035801
   Opened: 5/24/2018
   First Licensed: 10/6/2004
   Expires: 1/13/2019
   Type of License: Real Estate Firm
   History: None

Recommendation: Letter of Instruction.

Decision: The Commission voted to authorize a Letter of Warning.

Motion made Commissioner Taylor, second Commissioner Franks. Motion passed 5-1 with Commissioner Wood voting against.

2. 2018035141
   Opened: 5/29/2018
   First Licensed: 3/21/2017
   Expires: 3/20/2019
   Type of License: Affiliate Broker
   History: None

Recommendation: Dismiss.

Decision: The Commission voted to issue a Letter of Warning.

Motion made Commissioner Taylor, second Commissioner Franks. Motion passed 5-1 with Commissioner Wood voting against.

3. 2018017331
   Opened: 3/14/2018
   First Licensed: 11/7/2013
   Expires: 11/6/2019
   Type of License: Vacation Lodging Service Firm
   History: None

Recommendation: Consent Order providing for suspension of Respondent’s license until such time as Respondent is able to provide proof of Respondent’s compliance with the above-stated provisions of the Act.
Decision: The Commission voted to authorize a Consent Order with a $9,000 civil penalty ($1,000 per violation of Tenn. Code Ann. § 62-13-104(b)(7)(B)(v)) and suspension of Respondent’s license until such time as Respondent is able to provide proof of Respondent’s compliance with the above-stated provisions of the Act.

Motion made by Commissioner Wood, seconded by Commissioner Franks. Motion passed unanimously.

4. 201804178
   Opened: 6/25/2018
   Type of License: Unlicensed
   History: None

Recommendation: $1,000 civil penalty for unlicensed activity and language directing Respondent to cease and desist.

Decision: The Commission voted to authorize a Consent Order with a $7,000 civil penalty ($1,000 per violation of T.C.A. § 62-13-301) and language directing Respondent to cease and desist.

Motion made by Commissioner Hills, seconded by Commissioner Franks. Motion passed unanimously.

5. 2018023431
   Opened: 4/6/2018
   Type of License: Unlicensed
   History: None

Recommendation: $1,000 civil penalty for operating as a real estate firm without a license in violation of T.C.A. §62-13-309.

Decision: The Commission accepted Counsel’s recommendation, and requested cease and desist language be included.

Motion made by Commissioner Hills, seconded by Commissioner Franks. Motion passed unanimously.

6. 2018023411
   Opened: 4/6/2018
   Type of License: Unlicensed
   History: None

Recommendation: Close and flag.
Decision: The Commission voted to issue a $1,000 civil penalty for violation of T.C.A. §62-13-301 and to include cease and desist language in the Consent Order.

Motion made by Commissioner Blume, seconded Commissioner Hills. Motion passed 5-1 Commissioner Wood voting against.

7. 2018029081
   Opened: 4/30/2018
   Type of License: Unlicensed
   History: None

Recommendation: Close and flag.

Decision: The Commission voted to refer this complaint to the DA, and close and flag it.

Motion made by Commissioner Franks, seconded by Commissioner Hills. Motion passed unanimously.

8. 2018029131
   Opened: 5/1/2018
   First Licensed: 5/12/1995
   Expires: 4/21/2020
   Type of License: Affiliate Broker
   History: None

Recommendation: Letter of Instruction.

Decision: The Commission voted to accept Counsel’s recommendation.

Motion made by Commissioner Hills, seconded by Commissioner Blume. Motion passed unanimously.

9. 2018031931
   Opened: 5/16/2018
   First Licensed: 9/16/2011
   Expires: 9/15/2019
   Type of License: Real Estate Firm
   History: None

Recommendation: Letter of warning.

Decision: The Commission voted to dismiss this complaint.
Motion made by Commissioner Wood, seconded by Commissioner Blume. Motion passed 4-2 with Commissioner Hills and Commissioner Taylor voting against.

10. 2018033761
   Opened: 5/22/2018
   First Licensed: 10/31/2005
   Expires: 10/30/2019
   Type of License: Affiliate Broker
   History: None


Decision: The Commission voted to issue a $1,000 civil penalty for the violation of T.C.A. § 62-13-403.

Motion made by Commissioner Hills, seconded by Commissioner Franks. Motion passed 5-1 with Commissioner Wood voting against.

11. 2018028131
    Opened: 5/1/2018
    First Licensed: 3/31/2015
    Expires: 3/30/2019
    Type of License: Affiliate Broker
    History: None

Recommendation: 4 hours of Core continuing education, above and beyond what is required for the maintenance of Respondent’s license, to be completed within one hundred eighty (180) days of execution and entry of the Consent Order.

Decision: The Commission voted to authorize a Consent Order requiring 4 hours of continuing education in contracts, above and beyond what is required for the maintenance of Respondent’s license, to be completed within one hundred eighty (180) days of execution and entry of the Consent Order.

Motion made by Commissioner Franks, seconded by Commissioner Hills. Motion passed unanimously.

12. 2018042391
    Opened: 6/26/2018
    First Licensed: 11/1/1994
    Expires: 1/28/2019
    Type of License: Principal Broker
    History: None

Decision: The Commission voted to accept Counsel’s recommendation.

Motion made by Commissioner Franks, seconded by Commissioner Hills. Motion passed 5-0 with Commissioner Wood recusing himself.

Fresh Start Act Analysis: Commissioner Hills made the motion that the criminal conviction directly relates to the real estate profession, this motion was seconded by Commissioner Taylor. Motion passed 5-0 with Commissioner Wood recusing himself. Commissioner Franks made the motion to accept the Fresh Start Act justification statement, this motion was seconded by Commissioner Taylor. Motion passed 5-0 with Commissioner Wood recusing himself.

Erica Smith

13. 2018028551
   Opened: 5/1/2018
   First Licensed: 3/9/2017
   Expires: 3/8/2019
   Type of License: Affiliate Broker
   History: None


Decision: The Commission voted to accept Counsel’s recommendation.

Motion made by Commissioner Franks, seconded by Commissioner Taylor. Motion passed unanimously.

14. 2018028611
    Opened: 5/1/2018
    First Licensed: 1/17/1996
    Expires: 7/1/2020
    Type of License: Principal Broker
    History: 2005 Letter of Warning

Recommendation: Consent Order assessing a $500 civil penalty for failure to supervise.

Decision: The Commission voted to accept Counsel’s recommendation.

Motion made by Commissioner Franks, seconded by Commissioner Taylor. Motion passed unanimously.
15. 2018027521
  Opened: 4/30/2018
   First Licensed: 4/25/1996
   Expired: 12/31/2007
   Type of License: Real Estate Firm - Expired
   History: None

Recommendation: Close and Flag.

Decision: The Commission voted to dismiss this complaint.

Motion made by Commissioner Wood, seconded by Commissioner Franks. Motion passed unanimously.

16. 2018063841
   Opened: 9/7/2018
   First Licensed: 1/27/1997
   Expired: 8/23/2018
   Type of License: Affiliate Broker - Expired
   History: None

Recommendation: Consent Order assessing discipline by requiring Respondent to immediately voluntarily surrender their real estate affiliate broker’s license and citing TCA §62-13-303(a)(1) (Qualifications -- Prerequisites for licensing) and Tenn. Comp. R. & Regs. 1260-01-.01(4).

Decision: The Commission voted to accept Counsel’s recommendation.

Motion made by Commissioner Blume, seconded by Commissioner Wood. Motion passed unanimously.

Fresh Start Act Analysis: Commissioner Franks made the motion that the criminal conviction directly relates to the real estate profession, this motion was seconded by Commissioner Taylor. Motion passed unanimously. Commissioner Franks made the motion to accept the Fresh Start Act justification statement, this motion was seconded by Commissioner Hills. Motion passed unanimously.

17. 2018029021
   Opened: 4/27/2018
   First Licensed: 8/28/2007
   Expires: 4/14/2019
   Type of License: Principal Broker
History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept Counsel’s recommendation.

Motion made by Commissioner Franks, seconded by Commissioner Taylor. Motion passed unanimously.

18. 2018029061
   Opened: 4/30/2018
   First Licensed: 5/12/1987
   Expires: 9/9/2019
   Type of License: Affiliate Broker
   History: None

Recommendation: Consent Order assessing a civil penalty of $1,000 for failure to respond.

Decision: The Commission voted to accept Counsel’s recommendation.

Motion made by Commissioner Franks, seconded by Commissioner Hills. Motion passed unanimously.

19. 2017037141
   Opened: 6/9/17
   First Licensed: 8/6/10
   Expiration: 8/5/18
   Type of License: Affiliate Broker
   History: None

Recommendation: Consent Order for Litigation Monitoring until the civil suit has been resolved.

Decision: The Commission voted to accept the recommendation of legal counsel.

New Recommendation: Dismiss.

New Decision: The Commission voted to accept Counsel’s recommendation.

Motion made by Commissioner Hills, seconded by Commissioner Wood. Motion passed unanimously.

20. 2017037181
   Opened: 6/9/17
The following information was presented at the November 2017 meeting:

**Recommendation:** Consent Order for Litigation Monitoring until the civil suit has been resolved.

**Decision:** The Commission voted to accept the recommendation of legal counsel.

New Recommendation: Dismiss.

New Decision: The Commission voted to accept Counsel’s recommendation.

Motion made Commissioner Hills, second Commissioner Wood. Motion passed unanimously.

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21. 2017037221
    Opened: 6/9/17
    First Licensed: 9/1/95
    Expiration: 10/4/18
    Type of License: Principal Broker
    History: None

The following information was presented at the November 2017 meeting:

**Recommendation:** Consent Order for Litigation Monitoring until the civil suit has been resolved.

**Decision:** The Commission voted to accept the recommendation of legal counsel.

New Recommendation: Dismiss.

New Decision: The Commission voted to accept Counsel’s recommendation.

Motion made Commissioner Hills, second Commissioner Wood. Motion passed unanimously.