The Tennessee Real Estate Commission held a meeting April 11, 2018 at 8:30 a.m. CST in Room 1A of the Davy Crockett Tower located at 500 James Robertson Parkway Nashville, TN 37243. 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 roll. The following Commission Members were present: Chairman John Griess, Commissioner Diane Hills, Commissioner Fontaine Taylor, Commissioner Marcia Franks, Commissioner Bobby Wood, Commissioner Gary Blume, and Commissioner Rick Douglass. Commissioner Johnny Horne was absent. Commissioner Austin McMullen arrived during the legal report. Quorum Confirmed. Others present: Chief Counsel Denard Mickens, Assistant General Counsel Sarah Mathews, Assistant General Counsel Erica Smith, Assistant General Counsel Robyn Ryan, Assistant General Counsel Kelsey J. Bridges, paralegal Amanda Dean, Executive Director Caitlin Maxwell, and Education Director Ross White.

The April 11, 2018 board meeting agenda was submitted for approval.

Motion to approve the agenda as amended was made by Commissioner Franks and seconded by Commissioner Hills. Motion passed unanimously.
Minutes for the March 7, 2018 board meeting were submitted for approval.

Motion to approve the March 7, 2018 minutes as amended was made by Commissioner Hills and seconded by Commissioner Griess. Motion passed unanimously.

**MEDICAL WAIVER REQUEST**

Executive Director Caitlin Maxwell, on the behalf of James Bennett, 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 Blume and seconded by Commissioner Douglass. Motion passed unanimously.

**EDUCATION REPORT**- (Attachment A)

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

Motion to approve courses A1-A22 was made by Commissioner Taylor and seconded by Commissioner Wood. Motion passed unanimously.

Motion to approve Instructors presented was made by Commissioner Hills and seconded by Commissioner Wood. Motion passed unanimously.

**EXECUTIVE DIRECTORS REPORT**- (Attachment B)

**Staff Updates**

Executive Director Caitlin Maxwell updated the Commission on vacant staff positions. Executive Director Caitlin Maxwell also updated Commissioners on next month’s meeting in Jackson, TN.

**COMMISSION DISCUSSIONS**

**Principal Broker Failure to Supervise Complaints**

Chairman Griess discussed the topic of the automatic opening of principal broker supervision complaints and asked the Commission whether they would like to continue automatically opening principal broker supervision complaints for failure to supervise. Executive Director Caitlin Maxwell presented to the Commission the numbers for principal broker supervision complaints.
The motion was made by Commissioner Blume to no longer automatically open principal broker failure to supervise complaints effective 5/1/18, this motion was seconded by Commissioner Hills. The motion passed 7-1 with Commissioner Taylor voting against.

ARELLO Conference

Commissioner Franks updated the Commission on the topics discussed at the ARELLO mid-year meeting and the various issues facing each state.

Education Recovery Account

Assistant Commissioner Carter Lawrence proposed discontinuing funding to the education recovery account. He stated the recovery fund continues to grow in excess. He discussed using the education recovery account consistent with the rule and statute for education purposes. He stated a plan would be presented at the next meeting. Motion to eliminate the continued funding by initial licensees, education providers, and education instructors to the education recovery fund was made by Commissioner Taylor and seconded by Commissioner Franks. Motion passed unanimously.

LEGAL REPORT

Consent Agenda Cases:

The following cases were presented to the Commission via a Consent Agenda. All cases were reviewed by legal and legal has recommended dismissal. Commissioner Wood made the motion to remove cases 2017080081, 2017081231, 2017081251, and 2018000401. Commissioner Franks made the motion to approve cases 1, 3, 6-13, 15-56 and it was seconded by Commissioner Wood. Commissioner Blume recused himself on all cases. Motion passed unanimously.

After further discussion by the Commission, Commissioner Wood made the motion to accept counsel’s recommendation to dismiss case 2017080081 and it was seconded by Commissioner Franks. Motion passed unanimously.

After further discussion by the Commission, Commissioner Wood made the motion to accept counsel’s recommendation to dismiss case 2017081231 and it was seconded by Commissioner Hills. Motion passed unanimously.

After further discussion by the Commission, Commissioner Wood made the motion to accept counsel’s recommendation to dismiss case 2017081251 and it was seconded by Commissioner Hills. Motion passed unanimously.
After further discussion by the Commission, Commissioner Wood made the motion to accept counsel’s recommendation to dismiss case 2017081251 and it was seconded by Commissioner Franks. Motion passed unanimously.

After further discussion by the Commission, Commissioner Hills made the motion to accept counsel’s recommendation to dismiss case 2017068411 and it was seconded by Commissioner Franks. Motion passed unanimously.

After further discussion by the Commission, Commissioner Hills made the motion to accept counsel’s recommendation to dismiss case 2017068511 and it was seconded by Commissioner Franks. Motion passed unanimously.

After further discussion by the Commission, Commissioner Hills made the motion to accept counsel’s recommendation to dismiss case 2017072121 and it was seconded by Commissioner Franks. Motion passed unanimously.

After further discussion by the Commission, Commissioner Franks made the motion to accept counsel’s recommendation to dismiss case 2017072121 and it was seconded by Commissioner Wood. Motion passed unanimously.

**Legal Report**

**Robyn Ryan**

1. **2017082101**
   - Opened: 12/27/17
   - First Licensed: 10/6/10
   - Expires: 10/5/18
   - Type of License: Affiliate Broker
   - History: None

   **Recommendation:** Letter of warning regarding advertising Tenn. Comp. R. & Regs. 1260-02-.12.

   **Decision:** The Commission voted to dismiss.

   Motion by Commissioner Wood and seconded by Commissioner Taylor. Motion passed 6-1 with Commissioner Franks voting against.

2. **2018018391**
   - Opened: 3/21/18
   - First Licensed: 8/10/87
   - Expires: 2/15/19
   - Type of License: Principal Broker

Recommendation: Dismiss

Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Hills and seconded by Commissioner Wood. Motion passed unanimously.

3. 2018003561
   Opened: 1/15/18
   First Licensed: 7/26/04
   Expires: 5/13/18
   Type of License: Affiliate Broker
   History: None

Recommendation: Letter of warning regarding Tenn. Comp. R. & Regs. 1260-02-.12(3)(f) advertising in a false, deceptive or misleading manner.

Decision: The Commission voted to dismiss.

Motion by Commissioner Blume and seconded by Commissioner Franks. Motion passed 6-1 with Commissioner Wood voting against.

4. 2018003581
   Opened: 1/15/18
   First Licensed: 8/5/05
   Expires: 9/7/18
   Type of License: Principal Broker
   History: None

Recommendation: Dismiss

Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Franks and seconded by Commissioner Hills. Motion passed unanimously.

5. 2018000861
   Opened: 12/28/17
   First Licensed: 2/3/04
   Expires: 4/22/18
   Type of License: Principal Broker
   History: None
Recommendation: Dismiss

Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Franks and seconded by Commissioner Wood. Motion passed unanimously.

6. 2018000901
   Opened: 12/28/17
   First Licensed: 6/24/16
   Expires: 6/23/18
   Type of License: Affiliate Broker
   History: None

Recommendation: $1,000 civil penalty for T.C.A. § 62-13-313 failure to respond.

Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Blume and seconded by Commissioner Taylor. Motion passed unanimously.

7. 2018000941
   Opened: 12/28/17
   First Licensed: 4/28/99
   Expires: 4/9/18
   Type of License: Affiliate Broker
   History: None

Recommendation: Dismiss

Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Franks and seconded by Commissioner Hills. Motion passed unanimously.

REPRESENTATIONS:

8. 2017081291 presented at March 2018 meeting

   2017066821 correct case number
   Opened: 10/9/17
   First Licensed: 1/11/06
   Expires: 8/27/19
   Type of License: Principal Broker
   History: 2017 Agreed Citation, 2016 $1,000 Civil Penalty, 2014 $1,000 Civil Penalty
Recommendation: Dismiss

Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Hills and seconded by Commissioner Taylor. Motion passed unanimously.

9. 2017068051
   Opened: 10/12/2017
   First Licensed: 5/16/88
   Expires: 3/27/17
   Type of License: Principal Broker
   History: 2016 Sent to Collections and Revocation; 2015 Consent Order; 2011 Civil Penalty $1,500; 2010 Civil Penalty $2,000; 2002 Letter of Warning

New Recommendation: Close and flag should Respondent ever attempt to secure license or if new actions of unlicensed activity arise.

New Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Hills and seconded by Commissioner Taylor. Motion passed unanimously.

10. 2017068091
    Opened: 10/12/2017
    First Licensed: 3/6/14
    Expires: 9/7/18
    Type of License: Principal Broker
    History: None


New Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Hills and seconded by Commissioner Franks. Motion passed unanimously.

11. 2016069831
    Opened: 11/21/16
    First Licensed Obtained: 9/21/11
    License Expiration: 9/20/15
    Type of License: Affiliate Broker
    History: None

New Recommendation: Close and Flag should new complaint be filed with new address or if Respondent attempts to secure license.

New Decision: The Commission accepted Counsel’s recommendation.
Motion by Commissioner Wood and seconded by Commissioner Hills. Motion passed unanimously.

12. 2016074311  
    Opened: 12/15/16  
    First Licensed Obtained: 9/21/11  
    License Expiration: 9/20/15  
    Type of License: Affiliate Broker  
    History: None  

New Recommendation: Close and Flag should new complaint be filed with new address or if Respondent attempts to secure license.  

New Decision: The Commission accepted Counsel’s recommendation.  

Motion by Commissioner Hills and seconded by Commissioner Taylor. Motion passed unanimously.

Erica Smith

13. 2017075061  
    Opened: 11/21/17  
    First Licensed: 11/23/05  
    Expires: 4/17/19  
    Type of License: Real Estate Firm  
    History: None  

Recommendation: Consent Order assessing a civil penalty of $1,000 for T.C.A. § 62-13-313 failure to respond.  

Decision: The Commission accepted Counsel’s recommendation.  

Motion by Commissioner Griess and seconded by Commissioner Hills. Motion passed 7-1 with Commissioner Blume voting against.

14. 2017075851  
    Opened: 11/21/17  
    First Licensed: 6/25/03  
    Expires: 8/5/18  
    Type of License: Real Estate Firm  
    History: 2017 Consent Order-failure to respond & improper, fraudulent, or dishonest dealing  

Recommendation: Consent Order assessing a civil penalty of $1,000 for T.C.A. § 62-13-313 failure to respond.
Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Hills and seconded by Commissioner Franks. Motion passed 7-1 with Commissioner Blume voting against.

15. 2017069811
    Opened: 10/23/2017
    Type of License: Unlicensed
    History: None


Decision: The Commission voted to increase the civil penalty to $2,000 for unlicensed activity because at least two properties were involved, and to include cease and desist language in the Consent Order.

Motion by Commissioner Wood and seconded by Commissioner Hills. Motion passed on unanimously.

16. 2017073491
    Opened: 11/13/2017
    First Licensed: 2/11/2000
    Expires: 12/3/2017
    Type of License: Affiliate Broker
    History: None


Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Franks and seconded by Commissioner Hills. Motion passed 7-1 with Commissioner Blume voting against.

17. 2017073511
    Opened: 11/13/2017
    First Licensed: 1/17/1973

Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Douglass and seconded by Commissioner Hills. Motion passed 6-2 with Commissioner Wood and Commissioner Blume voting against.

18. 2017074271
   Opened: 11/14/17
   First Licensed: 2/11/2000
   Expires: 12/3/2017
   Type of License: Affiliate Broker
   History: None

Recommendation: Dismiss
Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Franks and seconded by Commissioner Taylor. Motion passed unanimously.

19. 2017074291
   Opened: 11/14/2017
   First Licensed: 1/17/1973
   Expires: 1/27/2019
   Type of License: Principal Broker
   History: None

Recommendation: Dismiss
Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Hills and seconded by Commissioner Douglass. Motion passed unanimously.

20. 2017074071
   Opened: 11/13/2017
Recommendation: Consent Order assessing a $1,500 civil penalty for failure to respond and for an advertising violation citing Tenn. Comp. R. & Regs. 1260-02-.12(3)(b) and T.C.A. § 62-13-104(b)(8)(A)

Decision: The Committee voted to assess a civil penalty of $2,000 for failure to respond and for an advertising violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b) and T.C.A. § 62-13-104(b)(8)(A).

Motion by Commissioner Blume and seconded by Commissioner Franks. Motion passed 6-1 with Commissioner McMullen voting against and Commissioner Griess abstaining.

21. 2017074091
   Opened: 11/13/2017
   First Licensed: 8/5/2005
   Expires: 9/7/2018
   Type of License: Principal Broker
   History: None

Recommendation: Dismiss


Motion by Commissioner McMullen and seconded by Commissioner Hills. Motion passed unanimously with Commissioner Griess abstaining.

22. 2017074851
   Opened: 11/16/2017
   First Licensed: 7/22/15
   Expires: 7/21/19
   Type of License: Affiliate Broker
   History: None

Recommendation: Consent Order assessing a $500 civil penalty for an advertising violation citing Tenn. Comp. R. & Regs. 1260-02-.12(3)(b).

Decision: The Commission voted to assess a $1,000 civil penalty for an advertising violation citing Tenn. Comp. R. & Regs. 1260-02-.12(3)(b).
Motion by Commissioner Blume and seconded by Commissioner Franks. Motion passed 6-2 with Commissioner Wood and Commissioner McMullen voting against.

23. 2017074871  
Opened: 11/16/2017  
First License: 5/31/16  
Expires: 5/30/18  
Type of License: Principal Broker  
History: None  

Recommendation: Consent Order assessing a $1,500 civil penalty for failure to supervise and for an advertising violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b).

Decision: The Commission voted to assess a $1,000 civil penalty for T.C.A. § 62-13-312 failure to supervise.

Motion by Commissioner Franks and seconded by Commissioner Hills. Motion passed unanimously.

24. 2017076311  
Opened: 11/27/2017  
First Licensed: 8/27/02  
Expires: 4/15/19- Suspended 12/11/17 (Professional Privilege Tax Hold)  
Type of License: Principal Broker  
History: None  

Recommendation: Consent Order assessing a $1,500 civil penalty for an advertising violation citing Tenn. Comp. R. & Regs. 1260-02-.12(3)(b) and for unlicensed activity.

Decision: The Commission voted to assess a $1,500 civil penalty for an advertising violation and for unlicensed activity citing Tenn. Comp. R. & Regs. 1260-02-.12(3)(b), and to include cease and desist language in the Consent Order.

Motion by Commissioner Wood and seconded by Commissioner Hills. Motion passed unanimously.

25. 2017070011  
Opened: 10/23/2017  
First Licensed: 8/4/2011  
Expires: 2/11/2020  
Type of License: Principal Broker  
History: None  

Recommendation: Dismiss
Decision: The Commission voted to send a letter of warning regarding using yard signs without a signed listing agreement.

Motion by Commissioner Wood and seconded by Commissioner Hills. Motion passed unanimously.

**REPRESENTATIONS**

26. 2017041131  
   Opened: 6/26/17  
   First Licensed: 11/7/07  
   Expiration: 4/2/17  
   Type of License: Affiliate Broker  
   History: 2016 Final Order: $2,000 Civil Penalty, Downgraded to Affiliate Broker, 12 month suspension of Affiliate Broker, 60 hours continuing education, and hearing costs- Improper dealing, fraudulent, dishonest dealing, accepting valuable consideration outside firm

New Recommendation: Close and flag; refer to the District Attorney’s office.

New Decision: The Commission accepted Counsel’s recommendation.

Motion by Commissioner Franks and seconded by Commissioner Hills. Motion passed unanimously.

27. 2017056741  
   Opened: 8/24/2017  
   Type of License: Unlicensed  
   History: None

New Recommendation: Revise Consent Order to assess a civil penalty of $1,000 or less instead of $3,000

New Decision: The Commission voted to reconsider this matter at the same meeting the complaint against the former employer will be heard.

Motion by Commissioner Taylor and seconded by Commissioner Franks. Motion passed unanimously.

28. 2017043461  
   Opened: 7/5/17  
   Type of License: Unlicensed  
   History: None

New Recommendation: Close and flag; refer to Florida’s Real Estate Commission.

New Decision: The Commission voted to ask the Florida Real Estate Commission for more information and defer this to the next meeting once information has been received.

Motion by Commissioner Franks and seconded by Commissioner Wood. Motion passed unanimously.
29. 2017066861
   - Opened: 10/9/2017
   - First Licensed: 9/17/2009
   - Expires: 9/16/2019
   - Type of License: Affiliate Broker
   - History: None

   New Recommendation: Dismiss and void Consent Order.

   New Decision: The Commission accepted Counsel’s recommendation.

   Motion by Commissioner Hill and seconded by Commissioner Douglass. Motion passed unanimously.

30. 2017069111
   - Opened: 10/18/2017
   - First Licensed: 11/04/2003
   - Expires: 04/07/2018
   - Type of License: Principal Broker
   - History: None

   New Recommendation: Dismiss and void Consent Order.

   New Decision: The Commission accepted Counsel’s recommendation.

   Motion by Commissioner Franks and seconded by Commissioner Wood. Motion passed unanimously.

31. 2017059991
   - Opened: 9/7/2017
   - Expires: 4/2/2019
   - Type of License: Vacation Lodging Service Firm
   - History: None

   New Recommendation: Dismiss and void Consent Order.

   New Decision: The Commission accepted Counsel’s recommendation.

   Motion by Commissioner Franks and seconded by Commissioner Wood. Motion passed unanimously.

   Kelsey J. Bridges

32. 2017081291
   - Opened: 12/14/2017
Expires: 8/27/2019
Type of License: Principal Broker
History: 2017 Agreed Citation, 2016 $1,000 Civil Penalty, 2014 $1,000 Civil Penalty

Recommendation: Dismiss

Decision: The Commission voted to assess a $1,000 civil penalty for a violation of Tenn. Comp. R. & Regs. 1260-02-.12(7)(b).

Motion by Commissioner Hills and seconded by Commissioner Taylor. Motion passed unanimously.

33. 2018009721
   Opened: 2/13/18
   First Licensed: 3/18/08
   Expires: 3/17/20
   Type of License: Affiliate Broker
   History: None

Recommendation: Dismiss

Decision: The Commission voted to assess a civil penalty of $500 for a violation of T.C.A. § 62-13-403(1), and for Respondent to take a 4 hour contract class within 180 days.

Motion by Commissioner Franks and seconded by Commissioner Taylor. Motion passed unanimously.

34. 2018009741
   Opened: 2/13/18
   First Licensed: 7/3/07
   Expires: 8/2/18
   Type of License: Principal Broker
   History: None

Recommendation: Dismiss

Decision: The Commission voted to assess a $500 civil penalty for T.C.A. § 62-13-312 failure to supervise, and for Respondent to take a 4 hour broker core class within 180 days.

Motion by Commissioner Taylor and seconded by Commissioner Franks. Motion passed unanimously.

Meeting adjourned by Chairman John Griess at 2:30 p.m.