



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
TENNESSEE REAL ESTATE COMMISSION
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243
615-741-2273
<http://www.tn.gov/commerce/section/real-estate-commission>

MINUTES

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 DISSCUSSIONS

Principal Broker Failure to Supervise Complaints

Chairman Griess discussed the topic of the automatic opening o 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

History: 2016 Consent Order-failure to respond, 2016 Consent Order- failure to supervise, 2017 Consent Order-failure to supervise and failure to respond.

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 Recommendation: Letter of warning.

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

Recommendation: Consent Order assessing \$1,000 civil penalty for T.C.A. § 62-13-313 unlicensed activity.

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

Recommendation: Letter of Warning citing T.C.A. § 62-13-403(1) (skill and care).

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

Expires: 1/27/2019
Type of License: Principal Broker
History: None

Recommendation: Letter of Warning for failure to supervise and referencing T.C.A. § 62-13-403(1) (skill and care).

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

First Licensed: 11/1/2016
Expires: 10/31/2018
Type of License: Affiliate Broker
History: None

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

Decision: The Commission voted to issue a letter of warning for T.C.A. § 62-13-312 failure to supervise.

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

First Licensed: 4/3/2006

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

First Licensed: 1/11/2006

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.