



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND
INSURANCE TENNESSEE REAL ESTATE
COMMISSION
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243
615-741-2273
<https://www.tn.gov/commerce/regboards/trec.html>

MINUTES

The Tennessee Real Estate Commission held a meeting September 11, 2019 at 8:30 a.m. CST in Room 1-A of the Davy Crockett Tower located at 500 James Robertson Parkway, Nashville, TN 37243. The Meeting was called to order by Vice-Chair Marcia Franks.

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 Geoffrey Diaz, Commissioner Fontaine Taylor, Commissioner Jon Moffett, Vice-Chair Marcia Franks, and Commissioner Bobby Wood. Commissioner Richard Douglass was absent. Quorum Confirmed. Others present: Executive Director, Caitlin Maxwell, Associate General Counsel Anna D. Matlock, Associate General Counsel Kelsey J. Bridges, paralegal Amanda Dean, Education Director Ross White, and TREC Staff member Aaron Smith.

The September 11, 2019 board meeting agenda was submitted for approval.

Motion to approve the agenda was made by Commissioner Diaz, and seconded by Commissioner Hills. Motion passed unanimously.

Minutes for the August 14, 2019 board meeting were submitted for approval.

Motion to approve the August 14, 2019 was made by Vice-Chair Franks, and seconded by Commissioner Hills. Motion passed unanimously.

INFORMAL APPEARANCE

Ronnie Phillips appeared before the commission seeking CE credit for classes he instructed.

Motion to deny Mr. Phillips was made by Vice-Chair Franks, and seconded by Commissioner Hills. Motion passed unanimously.

MEDICAL WAIVER

Bailie Hodges-Marrero sought waiver of testing due to a family health issue.

Motion to deny Ms. Hodges-Marrero was made by Vice-Chair Franks, and seconded by Commissioner Hills. Motion passed unanimously.

EDUCATION REPORT

Education Director Ross White presented the education report to the Commission.

Motion to approve courses S1-S69 was made by Commissioner Diaz, and seconded by Commissioner Wood. Motion passed 5-2 with Commissioner Moffett, and Vice Chair-Franks voting against.

Education Director Ross White presented instructor biographies to the Commission.

Motion to approve instructors was made by Commissioner Wood, and seconded by Commissioner Diaz. Motion passed 6-1 with Vice-Chair Franks against.

Additionally, it was restated that no course instructor would be given credit for continued education on a course he or she taught. If this is found, the continued education will be removed. Additionally, anyone found participating in this practice may be subject to disciplinary action. The Commission instructed Mr. White to send a letter to all course providers instructing them regarding this topic.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Maxwell updated the Commission regarding her findings that PSI could add the testing score to the exam for pass rate.

Motion was made by Commissioner Wood to show the testing score on the PSI exam, seconded by Commissioner Taylor. Motion passed unanimously.

Discussion regarding the February 2020 Commission meeting date to be moved to Tuesday, February 4, 2019 due to the Tennessee Realtor Spring Conference being held February 2-5, 2020. The Commission agreed to move the February meeting to February 4, 2020. The 2020

Meeting calendar was finalized with January 8-9, 2020, February 4, 2020, and November 12-13, 2020.

Director Maxwell advised that during the August Sunset Hearing, the Joint Government Operations Committee's Subcommittee on Commerce, Labor, Transportation and Agriculture extended the Commission recommended the Commission be extended for an additional four (4) years.

Director Maxwell updated the Commission that the average time for receiving a real estate license is now approximately 5.6 days and in the month of August the Commission received 476 applications.

COMMISSION DISCUSSION

The Commission discussed presenting former Commissioner Austin McMullen with the Bill Tune award during the February Tennessee Realtor Conference.

Vice-Chair Franks informed the Commission that many individuals have stated the audit process as "cumbersome." Director Maxwell informed the Commission that audit extensions are available to those that request one. Director Maxwell stated she would do research and have a conversation with the TREC auditor discussing whether this process can be streamlined, but also capture the purpose and necessity of the audit process.

LEGAL UPDATE

In an effort to provide information to licensees concerning issues the legal department is frequently encountering, Associate General Counsel Anna Matlock provided information concerning Tenn. Code Ann. § 62-13-309 for business location/office requirements/display of license/signs and Tenn. Comp. R. & Regs. 1260-02-.12 for advertising rules. Specifically, T.C.A. § 62-13-309(a)(1)(A) which requires each office shall have a real estate firm license, a principal broker and a fixed location with adequate facilities for affiliate licensees, located to conform with zoning laws and ordinances and (a)(1)(B) which states each branch office shall comply with the requirements in (a)(1)(A). The address on file with the Commission is office that licensees are to advertise from. If there is an additional office, where you are advertising operations out of, this is considered a branch office and should have the same requirements as T.C.A. § 62-13-309(a)(1)(A). Also, each principal broker shall notify the Commission in writing within ten (10) days of a change of office location (T.C.A. § 62-13-309(a)(3)).

For advertising Tenn. Comp. R. & Regs. 1260-02-.12(1) states "All advertising, regardless of its nature and the medium in which it appears, which promotes either a licensee or the sale or lease of real property, shall conform to the requirements of this rule. The term "advertising," for purposes of this rule, in addition to traditional print, radio, and television advertising, also includes, but is not limited to, sources of communication available to the public such as signs, flyers, letterheads, e-mail signatures, websites, social media communications, and video or audio recordings transmitted through internet or broadcast streaming. Advertising does not include

promotional materials that advertise a licensee such as hats, pens, notepads, t-shirts, name tags, business cards, and the sponsorship of charitable and community events.” Licensees should also be aware that the “firm name” shall mean the entire name of the real estate firm licensed with the Commission or the d/b/a name (Tenn. Comp. R. & Regs. 1260-02-.12(2)(a)&(b)). Licensees should also make themselves familiar with the general principles found in Tenn. Comp. R. & Regs. 1260-02-.12(3), Internet advertising (Tenn. Comp. R. & Regs. 1260-02-.12(5)), Social Media Advertising (Tenn. Comp. R. & Regs. 1260-02-.12(6)), and information required for Guarantees, Claims and Offers (Tenn. Comp. R. & Regs. 1260-02-.12(7)).

Links to the rules and statutes can be found on the website for the Commission (www.tn.gov/commerce/regboards/trec/) in the “Rules and Laws” tab on the left-hand side.

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. The Commission pulled the following cases for further discussion: 2019025741, 2019026921, 2019027341, 2019028861, 2019029721, 2019031851, 2019030061, 2019031251, and 2019031441.

After further discussion by the Commission, Vice-Chair Franks made the motion to accept legal’s recommendation to dismiss complaints 2019025741, seconded by Commissioner Hills. Motion passed unanimously.

After further discussion by the Commission, Vice-Chair Franks made the motion to accept legal’s recommendation to dismiss complaints 2019026921, seconded by Commissioner Diaz. Motion passed unanimously.

After further discussion by the Commission, Vice-Chair Franks made the motion to accept legal’s recommendation to dismiss complaints 2019027341, seconded by Commissioner Diaz. Motion passed unanimously.

After further discussion by the Commission, Vice-Chair Franks made the motion to accept legal’s recommendation to dismiss complaints 2019028861, seconded by Commissioner Diaz. Motion passed unanimously.

After further discussion by the Commission, Commissioner Wood made the motion to accept legal’s recommendation to dismiss complaints 2019029721, seconded by Commissioner Moffett. Motion passed unanimously.

After further discussion by the Commission, Vice-Chair Franks made the motion to accept legal’s recommendation to dismiss complaints 2019031851, seconded by Commissioner Moffett. Motion passed unanimously.

After further discussion by the Commission, Commissioner Wood made the motion to accept legal's recommendation to dismiss complaints 2019030061, seconded by Vice-Chair Franks. Motion passed unanimously.

After further discussion by the Commission, Commissioner Wood made the motion to accept legal's recommendation to dismiss complaints 2019031251, seconded by Commissioner Diaz. Motion passed unanimously.

After further discussion by the Commission, Commissioner Wood made the motion to accept legal's recommendation to dismiss complaints 2019031441, seconded by Commissioner Diaz. Motion passed unanimously.

1.) 2019021741	21.) 2019030081	41.) 2019024311	61.) 2019059851
2.) 2019021681	22.) 2019030721	42.) 2019025041	62.) 2019058241
3.) 2019022211	23.) 2019030571	43.) 2019026481	63.) 2019056881
4.) 2019021651	24.) 2019031071	44.) 2019026471	64.) 2019056191
5.) 2019022251	25.) 2019031211	45.) 2019027711	65.) 2019053651
6.) 2019022721	26.) 2019031201	46.) 2019027501	66.) 2019050511
7.) 2019025901	27.) 2019031851	47.) 2019027581	67.) 2019047551
8.) 2019025741	28.) 2019027471	48.) 2019033421	68.) 2019044681
9.) 2019027301	29.) 2019020661	49.) 2019029511	69.) 2019046111
10.) 2019027001	30.) 2019025331	50.) 2019029941	70.) 2019043951
11.) 2019026491	31.) 2019028941	51.) 2019030061	71.) 2019042901
12.) 2019026701	32.) 2019030821	52.) 2019031241	72.) 2019040961
13.) 2019025211	33.) 2019031101	53.) 2019031191	73.) 2019039541
14.) 2019026921	34.) 2019031951	54.) 2019031251	74.) 2019038261
15.) 2019027341	35.) 2019032211	55.) 2019031441	75.) 2019036061
16.) 2019026801	36.) 2019031841	56.) 2019021821	76.) 2019068431
17.) 2019028721	37.) 2019023931	57.) 2019068831	77.) 2019065591
18.) 2019028861	38.) 2019022121	58.) 2019066141	
19.) 2019029721	39.) 2019022681	59.) 2019063581	
20.) 2019030011	40.) 2019022851	60.) 2019061711	

LEGAL REPORT:

KELSEY BRIDGES

1. **2019021251**
Opened: 3/18/2019
Type of License: Unlicensed
History: None

Recommendation: \$1,000 civil penalty for unlicensed activity.

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

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

2. **2019022531**
Opened: 3/21/2019
Type of License: Unlicensed
History: None

Recommendation: \$1,000 civil penalty for unlicensed activity.

Decision: The Commission voted to issue a Four Thousand Dollar (\$4,000.00) civil penalty, One Thousand Dollars (\$1,000.00) per instance of unlicensed activity.

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

3. **2019024301**
Opened: 3/26/2019
First Licensed: 12/8/2008
Expires: 9/6/2020
Type of License: Real Estate Broker
History: None

Counsel recommends litigation monitoring.

Recommendation: Litigation Monitoring.

Decision: The Commission voted to accept Counsel's recommendation, and to continue investigation into the team account.

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

4. **2019030931**
Opened: 4/11/2019
First Licensed: 8/10/2015
Expires: 8/9/2019
Type of License: Affiliate Broker
History: None

Recommendation: \$500 civil penalty.

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

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

5. **2019031421**
Opened: 4/11/2019
Type of License: Unlicensed
History: None

Recommendation: \$1,000 civil penalty.

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

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

6. **2019031721**
Opened: 4/15/2019
First Licensed: 4/14/2016
Expires: 5/16/2021
Type of License: Real Estate Broker
History: None

Recommendation: Letter of Warning.

Decision: The Commission voted to a \$1,000 civil penalty.

Motion made by Chairman Griess, seconded by Commissioner Moffett. Motion passed unanimously.

RE-PRESENTS

- 7. 2019015671**
Opened: 2/25/2019
First Licensed: 5/15/2002
Expires: 12/15/2019
Type of License: Affiliate broker
History: None

New Recommendation: Dismiss.

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

Motion made by Chairman Griess, seconded by Commissioner Diaz. Motion passed unanimously.

- 8. 2019007241**
Opened: 1/28/2019
First Licensed: 4/25/2017
Expires: 4/24/2021
Type of License: Affiliate Broker
History: None

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.

- 9. 2018038831**
Opened: 6/14/2018
First Licensed: 6/23/2014
Expires: 6/22/2018
Type of License: Affiliate Broker, Expired
History: None

New Recommendation: Dismiss.

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

Motion made by Commissioner Diaz, seconded by Commissioner Taylor. Motion passed 6-1 with Commissioner Wood voting against.

10. 2018038611

Opened: 6/14/2018

Type of License: Unlicensed

History: None

New Recommendation: Dismiss.

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

Motion made by Commissioner Taylor, seconded by Chairman Griess. Motion passed unanimously.

ANNA MATLOCK

11. 2019029681

Opened: 4/8/2019

First Licensed: 9/11/2006

Expires: 9/10/2020

Type of License: Real Estate Firm

History: None

Recommendation: One Thousand Dollar (\$1,000.00) civil penalty for violation of Tenn. Code Ann. § 62-13-309(a)(1)(A).

Decision: The Commission voted to accept Counsel's recommendation and administratively open a complaint against the principal broker.

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

12. 2019029971

Opened: 4/9/2019

Type of License: Unlicensed

History: None

Recommendation: \$1,000 civil penalty for unlicensed activity.

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

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

13. 2019029671

Opened: 4/8/2019

Type of License: Unlicensed

History: None

Recommendation: Letter of Warning.

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

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

14. 2019031651

Opened: 4/12/2019

Type of License: Unlicensed

History: None

Recommendation: Letter of Warning.

Decision: The Commission voted to defer this complaint until the October Commission meeting.

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

15. 2019031591

Opened: 4/12/2019

First Licensed: 8/22/1984

Expires: 11/22/2019

Type of License: Affiliate Broker

History: None

Recommendation: Dismiss as to the affiliate broker and open a complaint against the principal broker for violation of Rule 1260-02-.09(9).

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

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

ERICA SMITH

16. 2018039581

Opened: 6/18/2018

Type of License: Unlicensed

History: None

Recommendation: Dismiss.

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

Motion made by Chairman Griess, seconded by Commissioner Wood. Motion passed unanimously.

17. 2018039271

Opened: 6/18/2018

Type of License: Unlicensed

History: None

Recommendation: One Thousand Dollar (\$1,000.00) civil penalty for unlicensed activity.

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

Motion made by Chairman Griess, seconded by Commissioner Hills. Motion passed unanimously.

18. 2018039291

Opened: 6/18/2018

Type of License: Unlicensed

History: None

Recommendation: Dismiss.

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

Motion made by Chairman Griess, seconded by Commissioner Hills. Motion passed unanimously.

19. 2018039311

Opened: 6/18/2018

Type of License: Unlicensed

History: None

Recommendation: Dismiss.

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

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

Re-Presents

20. 2018038221

Opened: 7/31/2018

Type of License: Unlicensed

History: None

New Recommendation: One Thousand Dollar (0\$1,000.00 civil penalty for unlicensed activity).

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

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

21. 2018038531

Opened: 6/14/2018

Type of License: Unlicensed

History: None

New Recommendation: Dismiss.

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

Motion made by Commissioner Diaz, seconded by Chairman Griess. Motion passed 6-1 with Commissioner Wood voting against.

22. 2018038831

Opened: 6/14/2018

First Licensed: 6/23/2014

Expires: 6/22/2018

Type of License: Affiliate Broker, Expired

History: None

New Recommendation: Dismiss.

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

Motion made by Commissioner Taylor, seconded by Commissioner Moffett. Motion passed 6-1 with Commissioner Wood voting against.

23. 2018038611

Opened: 6/14/2018

Type of License: Unlicensed

History: None

New Recommendation: Dismiss.

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

Motion made by Chairman Griess, seconded by Commissioner Hills. Motion passed 6-1 with Commissioner Wood voting against.

24. 2018027321

Opened: 4/25/2018

Type of License: Unlicensed

History: None

New Recommendation: Close and Flag.

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

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

Chairman Griess adjourned the meeting at 1:20PM