



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 February 04, 2020 at 8:30 a.m. CST at the Davy Crockett Tower located at 500 James Robertson Parkway, Nashville, TN 37243. The Meeting was called to order by Chairman John Griess. Chairman 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 Geoffrey Diaz, Vice-Chair Marcia Franks, Commissioner Bobby Wood, and Commissioner Joe Begley. Commissioner Moffett and Commissioner Torbett were absent. Quorum Confirmed. Others present: Executive Director Caitlin Maxwell, Associate General Counsel Anna D. Matlock, Associate General Counsel Kristen Downey, Associate General Counsel Erica Smith, paralegal Amanda Dean, Education Director Ross White, and TREC Staff member Aaron Smith.

The February 4, 2020 board meeting agenda was submitted for approval.

Motion to approve the agenda was made by Vice-Chair Franks and seconded by Commissioner Diaz. Motion passed unanimously.

Minutes for the January 8, 2020 board meeting were submitted for approval.

Motion to approve the January 8, 2020 minutes as amended was made by Commissioner Diaz and seconded by Commissioner Begley. Motion passed unanimously.

MEDICAL WAIVER

Jeffrey Gade was presented to the commission requesting a Medical Waiver for the 2019 renewal period.

Motion to approve Medical Waiver was made by Vice-Chair Franks and seconded by

Commissioner Diaz. Motion passed unanimously.

EDUCATION REPORT

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

Motion to approve courses F1-F16 was made by Commissioner Diaz and seconded by Commissioner Wood with the exception of courses F3 and F4. Motion passed unanimously.

After further discussion, Vice Chair Franks made the motion to approve courses F3 and F4. That motion was seconded by Commissioner Diaz. Motion passed unanimously.

Education Director Ross White presented instructor biographies to the Commission.

Motion to approve instructors was made by Commissioner Diaz and seconded by Vice-Chair Franks. Motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Topics:

- **Mid-Year ARELLO Conference:** Director Maxwell informed the Commission of the upcoming ARELLO conference in Savannah, Georgia. After further discussion, the motion was made to send Commissioner Wood and Commissioner Diaz to the ARELLO mid-year conference along with staff. The Commission discussed sending Commissioner Begley as a backup if approved. Motion passed unanimously.
- **FORMS:** Director Maxwell informed the Commission that our TREC-1 form has been redesigned to accommodate the new fee reduction.
- **E&O Revocation:** Director Maxwell informed the commission that Revocation for the 1/31/19 suspension has taken place. Revocation was brought against 300 plus licensees.
- **Welcome Letter:** The Commission wanted to know if the Welcome Letter for Affiliates has been approved. Director Maxwell advised the commission the letter is still within the approval process chain.
- **May West Tennessee Commission Meeting:** Discussion was brought to the floor regarding the upcoming West TN meeting, including meeting location with accommodations (ie: Audio/Video capability, open to the public).

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: 2019070441, 2019070681, 2019072621, 2019077871, 2019078161, 2019078361, 2019081161, and 2019081191.

After further discussion by the Commission, Chairman Griess made the motion to accept legal's recommendation to dismiss complaint 2019070441, seconded by Vice-Chair Franks Motion passed unanimously.

After further discussion by the Commission, Vice-Chair Franks made the motion to accept legal's recommendation to dismiss complaint 2019070681, seconded by Commissioner Wood Motion passed unanimously.

After further discussion by the Commission, Commissioner Wood made the motion to accept legal's recommendation to dismiss complaint 201907621, seconded by Chairman Griess Motion passed unanimously.

After further discussion by the Commission, Commissioner Wood made the motion to accept legal's recommendation to dismiss complaint 2019077871, 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 complaint 2019078161, 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 complaint 2019078361, seconded by Commissioner Diaz Motion passed unanimously.

After further discussion by the Commission, Commissioner Diaz made the motion to accept legal's recommendation to dismiss complaint 2019081161, seconded by Commissioner Wood Motion passed unanimously.

After further discussion by the Commission, Commissioner Diaz made the motion to accept legal's recommendation to dismiss complaint 2019081191, seconded by Commissioner Wood Motion passed unanimously.

1.) 2019069411	21.) 201907552	41.) 2019080931	61.) 2019092241
2.) 2019070401	22.) 2019076641	42.) 2019081061	62.) 2019092231
3.) 2019070471	23.) 201976741	43.) 2019081741	63.) 2019091101
4.) 2019070441	24.) 2019078141	44.) 2019081161	64.) 2019093701
5.) 2019070681	25.) 2019077021	45.) 2019081191	65.) 2019093801
6.) 2019070901	26.) 2019077221	46.) 2019081761	66.) 2019099781
7.) 2019070951	27.) 2019077561	47.) 2019082121	67.) 2020001341
8.) 2019071181	28.) 2019077871	48.) 2019083431	68.) 2019084041
9.) 2019071601	29.) 2019078161	49.) 2019084011	69.) 2019085891
10.)2019072811	30.) 2019078131	50.) 2019084391	70.) 2019086651
11.)2019072621	31.) 2019078491	51.) 2019084221	71.) 2019091001
12.)2019073791	32.) 2019078401	52.) 2019083691	72.) 2019091231
13.)2019073841	33.) 2019078361	53.) 2019083411	73.) 2019091361
14.) 2019073621	34.) 2019078701	54.) 2019083321	74.) 2020001811
15.)2019074531	35.) 2019080201	55.) 2019083361	
16.)2019074441	36.) 2019081861	56.) 2019083391	
17.)2019075021	37.) 2019083191	57.) 2019083441	
18.)2019074911	38.) 2019083821	58.) 2019083931	
19.)2019075601	39.) 2019080181	59.) 2019084121	
20.)2019076021	40.) 2019080571	60.) 2019085741	

LEGAL REPORT:

KRISTEN DOWNEY

- 1. 2019070921
 Opened: 8/21/2019
 First Licensed: 5/22/2017
 Expires: 5/21/2021
 Type of License: Affiliate Broker
 History: None

Recommendation: Letter of Warning regarding updated and current MLS listings.

Decision: The Commission voted to issue a \$500 civil penalty for failure to exercise reasonable skill and care, and to require Respondent attend a four-hour Contracts class within 180 days, over and above the continuing education required for licensure.

Motion made by Vice-Chair Franks, seconded by Commissioner Wood. Motion passed 5-0.

- 2. 2019071351
 Opened: 8/22/2019
 First Licensed: 8/6/2015
 Expires: 8/5/2021
 Type of License: Affiliate Broker
 History: None

Recommendation: \$1,000 civil penalty for unlicensed activity. Open complaint against the Principal Broker for unlicensed activity.

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

Motion made by Commissioner Wood, seconded by Vice-Chair Franks. Motion passed 5-0.

3. 2019072561

Opened: 8/27/2019

First Licensed: 8/28/2014

Expires: 8/27/2020

Type of License: Affiliate Broker

History: None

Recommendation: Letter of Instruction regarding exclusive buyer representation agreement and exercising reasonable care. It appears that the Complainant's exclusive buyer agreement with the Buyers was still active at the time that the Respondent represented the Buyers. Whether a commission is owed is a matter of contract law and the Commission is not the appropriate venue to litigate such matters; however, a letter of Instruction regarding exclusive buyer representation agreements and reasonable skill and care should be issued to Respondent.

Decision: The Commission voted to issue a \$250 civil penalty and to require Respondent to attend a four-hour Contracts class within 180 days, over and above that which is required for licensure.

Motion made by Vice-Chair Franks, seconded by Commissioner Wood. Motion passed 4-1 with Chairman Griess voting no.

4. 2019074291

Opened: 9/4/2019

First Licensed: 3/30/2006

Expires: 3/29/2020

Type of License: Affiliate Broker

History: None

Recommendation: Letter of warning regarding reasonable skill and care.

Decision: The Commission voted to issue a \$250 civil penalty and to require Respondent to attend a four-hour Contracts class within 180 days, over and above that which is required for licensure.

Motion made by Vice-Chair Franks, seconded by Commissioner Diaz. Motion passed 3-2 with Commissioner Wood, and Chairman Griess voting no.

5. **2019079041**
Opened: 9/23/2019
First Licensed: 7/13/2013
Expires: 7/29/2021
Type of License: Affiliate Broker
History: None

Recommendation: Civil penalty \$500 for each separate violation for a total of \$1,500.

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

Motion made by Commissioner Begley, seconded by Commissioner Diaz. Motion passed 5-0.

6. **2019079841**
Opened: 9/25/2019
First Licensed: 2/7/1972
Expires: 8/20/2020
Type of License: Principal Broker
History: None

Recommendation: Letter of warning regarding updated and accurate MLS listings.

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

Motion made by Commissioner Diaz, seconded by Commissioner Wood. Motion passed 5-0.

7. **2019080501**
Opened: 9/26/2019
First Licensed: 3/6/2013
Expires: 12/14/2020
Type of License: Principal Broker
History: 2018 Consent Order with \$1,000 Civil Penalty for failure to supervise

Recommendation: Letter of Instruction regarding Exclusive Buyer Agreements according to Rule 1260-02-.36.

Decision: The Commission voted to dismiss this complaint.

Motion made by Commissioner Wood, seconded by Commissioner Diaz. Motion passed 5-0.

- 8. 2019080551**
Opened: 9/26/2019
First Licensed: 12/13/2017
Expires: 12/12/2019
Type of License: Affiliate Broker
History: None

Recommendation: Letter of Instruction regarding Exclusive Buyer Agreements according to Rule 1260-02-.36.

Decision: The Commission voted to dismiss this complaint.

Motion made by Commissioner Wood, seconded by Commissioner Diaz. Motion passed 5-0.

- 9. 2019083811**
Opened: 10/9/2019
First Licensed: 8/2/2007
Expires: 8/1/2021
Type of License: Affiliate Broker
History: None

Recommendation: Letter of warning regarding the T.C.A. § 62-13-402(c)(5).

Decision: The Commission voted to issue a \$1,000 civil penalty for failure to exercise reasonable skill and care.

Motion made by Commissioner Wood, seconded by Commissioner Diaz. Motion passed 5-0.

- 10. 2019082711**
Opened: 10/7/2019
First Licensed: 4/22/1987
Expires: 10/9/2020
Type of License: Real Estate Broker
History: None

Recommendation: Dismiss. The Respondent made every effort to obtain the signature of the Seller for the return of the earnest money in a timely manner.

Decision: The Commission voted to issue a \$1,000 civil penalty and require Respondent to take a Principal Broker Core class within 180 days, over and above the continuing education required for licensure.

Motion made by Commissioner Wood, seconded by Vice-Chair Franks. Motion passed 5-0.

Re-Present

11. 2019068881

Opened: 8/13/2019

First Licensed: 7/30/2013

Expires: 7/29/2021

Type of License: Affiliate Broker

History: None

****Same Respondent from 2019079041****

New Recommendation: \$500 civil penalty for violation of T.C.A. § 62-13-302(b).

New Decision: The Commission voted to issue a \$1,000 civil penalty for violation of T.C.A. § 62-13-302(b).

Motion made by Commissioner Wood, seconded by Commissioner Diaz. Motion passed 5-0.

Complaints 2019066631 and 2019066271 are duplicates

12. 2019066631

Opened: 8/5/2019

First Licensed: 10/19/2017

Expires: 10/18/2021

Type of License: Affiliate Broker

History: None

New Recommendation: Counsel advises that the Commission keep this complaint and the discipline that was issued and dismiss the subsequent complaint which is complaint number 2019066271.

13. 2019066271

Opened: 8/2/2019

First Licensed: 10/19/2017

Expires: 10/18/2021

Type of License: Affiliate Broker

History: None

New Recommendation: Counsel advises that the Commission dismiss and close this complaint (2019066271) and move forward with the initial complaint which is complaint number 2019066631.

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

Motion made by Commissioner Diaz, seconded by Commissioner Begley. Motion passed 5-0.

14. 2019052701

Opened: 6/10/2019

First Licensed: 620/2006

Expires: 6/19/2010

Type of License: Affiliate Broker - EXPIRED

History: None

New Recommendation: Open a complaint against the correct licensee for unlicensed activity using the same allegation initially brought by the Complainant.

New Decision: The Commission voted to dismiss this complaint and accept Counsel's recommendation.

Motion made by Vice-Chair Franks, seconded by Commissioner Diaz. Motion passed 5-0.

15. 2018088831

Opened: 12/14/2018

First Licensed: 6/16/2016

Expires: 6/15/2018

Type of License: Real Estate Firm

History: None

Recommendation: Close and flag.

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

New Recommendation: Dismiss.

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

Motion made by Commissioner Diaz, seconded by Commissioner Wood. Motion passed 5-0.

ANNA MATLOCK

16. 2019080441

Opened: 9/26/2019

First Licensed: 10/2/1997

Expires: 4/17/2021
Type of License: Real Estate Firm
History: None

Recommendation: Dismiss and administratively open a complaint against Respondent's agent.

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

Motion made by Commissioner Diaz, seconded by Vice-Chair Franks. Motion passed 5-0.

17. 2019080791

Opened: 9/27/2019
First Licensed: 3/21/2001
Expires: CLOSED - 8/12/2020
Type of License: Real Estate Firm
History: None

Recommendation: Discuss.

Decision: The Commission voted to refer this complaint to the District Attorney's Office and to close and flag this complaint.

Motion made by Commissioner Diaz, seconded by Vice-Chair Franks. Motion passed 4-0. Chairman Griess recused himself from the vote.

18. 2019081811

Opened: 10/2/2019
First Licensed: 3/9/1987
Expires: 12/19/2019
Type of License: Affiliate Broker
History: None

Recommendation: Discuss.

Decision: The Commission voted to refer this complaint to the District Attorney's Office and to close and flag this complaint.

Motion made by Commissioner Diaz, seconded by Vice-Chair Franks. Motion passed 4-0. Chairman Griess recused himself from the vote.

19. 2019082031

Opened: 10/3/2019

First Licensed: 1/25/2019

Expires: 1/24/2021

Type of License: Affiliate Broker

History: None

Recommendation: Letter of Instruction.

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

Motion made by Vice-Chair Franks, seconded by Commissioner Diaz. Motion passed 5-0.

20. 2019083631

Opened: 10/9/2019

First Licensed: 4/4/2018

Expires: N/A

Type of License: Time Share Registration/Exempt

History: 2015 Consent Order

Recommendation: One Thousand Dollar (\$1,000.00) civil penalty for penalty for failure to respond.

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

Motion made by Vice-Chair Franks, seconded by Commissioner Diaz. Motion passed 5-0.

21. 2019084271

Opened: 10/10/2019

Type of License: Unlicensed

History: None

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

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

Motion made by Commissioner Wood, seconded by Commissioner Diaz. Motion passed 5-0.

22. 2019084361

Opened: 10/10/2019

First Licensed: 12/1/2016

Expires: 11/30/2020

Type of License: Real Estate Firm
History: None

Recommendation: Dismiss and administratively open a complaint against the principal broker.

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

Motion made by Vice-Chair Franks, seconded by Commissioner Diaz. Motion passed 5-0.

23. 2019084551

Opened: 10/11/2019
First Licensed: 8/19/2013
Expires: 8/14/2021
Type of License: Principal Broker
History: None

Recommendation: Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b).

Decision: The Commission voted to issue a \$2,500 civil penalty for violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b).

Motion made by Vice-Chair Franks, seconded by Commissioner Begley. Motion passed 4-1 with Commissioner Wood voting no.

24. 2019082681

Opened: 10/4/2019
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 Vice-Chair Franks, seconded by Commissioner Wood. Motion passed 5-0.

25. 2019082191

Opened: 10/4/2019
Type of License: Unlicensed
History: None

Recommendation: Dismiss and administratively open a complaint against the managing limited liability company.

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

Motion made by Commissioner Diaz, seconded by Commissioner Wood. Motion passed 5-0.

26. 2019080521

Opened: 9/27/2019

First Licensed: 4/9/2013

Expires: 4/8/2021

Type of License: Affiliate Broker

History: None

Recommendation: Letter of Warning.

Decision: The Commission voted to issue a \$1,000 civil penalty for referral fees.

Motion made by Commissioner Wood, seconded by Vice-Chair Franks. Motion passed 5-0.

Re-Presents

27. 2019020081

Opened: 3/13/2019

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 5-0.

28. 2019006071

Opened: 1/23/2019

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 Commissioner Wood. Motion passed 5-0.

29. 2019018141
Opened: 3/7/2019
Type of License: Unlicensed
History: None

New Recommendation: Close, flag, and refer to the appropriate District Attorney General.

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

Motion made by Commissioner Wood, seconded by Commissioner Diaz. Motion passed 5-0.

NOTE REGARDING THE FOLLOWING COMPLAINT NUMBERS 29 THROUGH 48:
Beginning in or around September 2018, the Commission started receiving complaints from individuals stating they were contacted (and in some cases, scammed) by entities and individuals claiming to be licensed Tennessee firms and brokers. In each instance, the fraudulent entity or individual was able to provide the name and license number for actual licensees but provided different contact information. Commission staff and Legal have been working in conjunction

New Recommendation: Close and flag, refer to the appropriate District Attorney General Office, and formally refer to the Attorney General.

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

Motion made by Vice-Chair Franks, seconded by Commissioner Diaz. Motion passed 5-0.

30. 2018050491
Opened: 7/30/2018
Type of License: Unlicensed
History: None

31. 2018062551
Opened: 9/4/2018
Type of License: Unlicensed
History: None

32. 2018052631
Opened: 8/6/2018
Type of License: Unlicensed
History: None

33. 2018059791
Opened: 8/21/2018
Type of License: Unlicensed

History: None

34. 2018061891

Opened: 8/29/2018

Type of License: Unlicensed

History: None

35. 2018064691

Opened: 9/10/2018

Type of License: Unlicensed

History: None

36. 2018076581

Opened: 10/29/2018

Type of License: Unlicensed

History: None

37. 2018077591

Opened: 11/01/2018

Type of License: Unlicensed

History: None

38. 2018078821

Opened: 11/8/2018

Type of License: Unlicensed

History: None

39. 2018081191

Opened: 11/19/2018

Type of License: Unlicensed

History: None

40. 2018088311

Opened: 12/14/2018

Type of License: Unlicensed

History: None

41. 2018061841

Opened: 8/29/2018

Type of License: Unlicensed

History: None

42. 2018064861

Opened: 9/12/2018

Type of License: Unlicensed

History: None

43. 2018065711

Opened: 9/14/2018

Type of License: Unlicensed

History: None

44. 2018072211

Opened: 10/12/2018

Type of License: Unlicensed

History: None

45. 2018082011

Opened: 11/21/2018

First Licensed: Unlicensed

History: None

46. 2018060091

Opened: 8/20/2018

Type of License: Unlicensed

History: None

47. 2018065731

Opened: 9/19/2018

Type of License: Unlicensed

History: None

48. 2018088241

Opened: 12/13/2018

Type of License: Unlicensed

History: None

49. 2018062551

Opened: 9/4/2018

Type of License: Unlicensed

History: None

ERICA SMITH

Re-Present

50. 2017065061

Opened: 10/2/2017

First Licensed: 11/04/2014

Expires: 11/03/2018

Type of License: Affiliate Broker

History: None

New Recommendation: Dismiss or Issue Letter of Warning.

New Decision: The Commission voted to dismiss this complaint.

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

51. 2017065101

Opened: 10/2/2017

First Licensed: 2/11/2009

Expires: 5/6/2019

Type of License: Principal Broker

History: None

New Recommendation: Dismiss.

New Decision: The Commission voted to dismiss this complaint.

Motion made by Vice-Chair Franks, seconded by Commissioner Wood. Motion passed unanimously.

52. 2018044991

Opened: 7/9/2018

First Licensed: 9/4/2013

Expires: 9/3/2019

Type of License: Affiliate Broker

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 Begley. Motion passed unanimously.

53. 2018025431

Opened: 4/17/2018

Type of License: Unlicensed

History: None

New Recommendation: Dismiss.

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

Motion made by Vice-Chair Franks, seconded by Commissioner Diaz. Motion passed 5-0.

54. 2018039271

Opened: 6/18/2018

Type of License: Unlicensed

History: None

New Recommendation: Dismiss.

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

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

LEGISLATIVE UPDATE

Associate General Counsel Anna Matlock provided the Commission legislative updates on two bills. Specifically, House Bill #1619 would create a new exemption from licensure for housing authorities. Ms. Matlock stated she does not foresee an impact with this bill as the Commission does not currently license housing authorities and housing authorities do not receive a fee or commission from their sales. Senate Bill #1595 which would amend the time to respond to a complaint from ten (10) days to thirty (30) days.

Chairman Griess adjourned the meeting at 12:26 P.M.