



**STATE OF TENNESSEE
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 on February 7, 2023, at 8:30 a.m. CST at the Davy Crockett Tower at 500 James Robertson Parkway, Nashville, TN 37243. In addition, the meeting was streamed electronically via the Microsoft Teams meeting platform. Executive Director Caitlin Maxwell read the public disclaimer and called the roll. The following Commission members were present: Chair Marcia Franks, Commissioner DJ Farris, Commissioner Joan Smith, Vice-Chair Geoff Diaz, Commissioner Steve Guinn, Commissioner Stacie Torbett, and Commissioner Kathy Tucker. Quorum Confirmed. Absent members include Commissioner Jon Moffett and Commissioner Joe Begley. Others present: Associate General Counsel Anna D. Matlock, Associate General Counsel Jeffrey Caudill, Paralegal Carol McGlynn, Education Director Ross White, and TREC staff member Aaron Smith.

The board's February meeting agenda was submitted for approval.

The motion to approve February 7, 2023, agenda was made by Commissioner Smith and seconded by Commissioner Farris. The motion passed unanimously.

The minutes for January 11, 2023, commission meeting were submitted for approval.

The motion to approve January 11, 2023, minutes was made by Vice-Chair Diaz and seconded by Commissioner Torbett. The motion passed unanimously. Chair Franks abstained

INFORMAL APPEARANCE

Crystal Inthirakod appeared before the commission with her Principal Broker, Tammy Paxson, to receive approval for her Affiliate Broker license.

The motion to approve Crystal Inthirakod was made by Commissioner Farris and seconded by Commissioner Torbett. The motion carried unanimously.

Dominque Spaur appeared before the commission with her Principal Broker, Kathy Dunn, to receive approval for her Affiliate Broker license.

The motion to approve Dominique Spaur was made by Commissioner Smith and seconded by Vice-Chair Diaz. The motion carried unanimously.

Shane Carter appeared before the commission with his Principal Broker Timothy Earls, to receive approval for his Affiliate Broker license.

The motion to approve Shane Carter was made by Commissioner Guinn and seconded by Commissioner Tucker. The motion carried unanimously.

Heather Harold appeared before the commission with her Principal Broker, Katelyn Hamby, to receive approval for her Affiliate Broker license.

The motion to approve Heather Harold was made by Vice-Chair Diaz and seconded by Commissioner Torbett. The motion carried unanimously.

WAIVER REQUEST

Executive Director Maxwell presented Elson Wang to the commission seeking a waiver of retesting.

The motion to deny Mr. Wang's request was made Vice-Chair Diaz and seconded by Commissioner Guinn. The motion carried 5-2 Commissioner Farris, and Commissioner Torbett voted against.

Executive Director Maxwell presented James Dodson to the commission seeking a waiver of retesting.

The motion to deny Mr. Dodson's request was made by Vice-Chair Diaz and

seconded by Commissioner Smith. The motion carried 5-2 with Commissioner Farris and Commissioner Torbett voting against.

Executive Director Maxwell presented Andrew Ackerman to the commission seeking a waiver of fees.

The motion to approve Mr. Ackerman with a penalty fee of \$500 was made by Commissioner Torbett and seconded by Commissioner Farris. The motion carried unanimously.

The motion to give a 90-day time frame for the penalty to be paid was made by Commissioner Smith and seconded by Commissioner Tucker. The motion carried unanimously.

EDUCATION REPORT

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

The motion to approve courses F1-F17 was made by Vice-Chair Diaz and seconded by Commissioner Farris. The motion passed unanimously.

Education Director Ross White presented the Instructor Biography to the Commission.

The motion to approve the instructor's biography was made by Commissioner Smith and seconded by Commissioner Tucker. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Maxwell updated the Commission on the topics below.

- **Errors and Omissions Insurance Update:** Director Maxwell updated the commission that roughly 2500 licensees were suspended for lapse of E&O Insurance. Those suspended will have until March 2nd to provide E&O with no penalty.
- **PSI Review:** Director Maxwell updated the commission that Commissioner Guinn and Commissioner Farris will participate in the PSI Q&A on April 11, 2023.

COMMISSION EDUCATION: The commission participated in a refresher presentation on processes and laws in accordance with regulation and consumer protection. The refresher consisted of the Education & Recovery Account, presented by Executive Director Maxwell, and Civil Penalties, presented by Associate General Counsel Anna Matlock.

COMMISSION DISCUSSION: Commission discussed participation in the upcoming Mid-Year ARELLO Conference in Boston, MA April 26-28th 2023.

CONSENT AGENDA

The following cases were presented to the commission via a Consent Agenda. All cases were reviewed by legal counsel and were recommended for either dismissal or disciplinary action.

A motion was made to accept Counsel's recommendation for complaints 1-57 with the exception of the following complaints, which were pulled for further discussion: **2022040831, 2022042331, 2022044761, 2022028251, 2022026861, 2022034651, 2022040841, 2022037501, 2022041841, 2022036971, 2022041771.**

The motion was made by Commissioner Torbett and seconded by Vice-Chair Diaz. The motion carried unanimously.

After further discussion by the Commission on complaint 2022040831, Vice-Chair Diaz motioned **to assess a Five Hundred Dollar (\$500.00) civil penalty and require Respondent to complete the TREC CORE course. This is to be completed above and beyond Respondent's required continuing education requirements and within one hundred eighty (180) days. The Commission also voted to administratively open a complaint against Respondent's principal broker for failure to supervise.** Commissioner Tucker seconded the motion. The motion carried 6-1 with Commissioner Guinn voted against.

After further discussion by the Commission on complaint 2022042331, Commissioner Smith motioned **to dismiss the complaint.** Vice-Chair Diaz seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2022044761, Commissioner Smith motioned **to accept the counsel's recommendation, and** Commissioner Farris seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 202202851, Commissioner Smith motioned **to accept the counsel's recommendation**, and Vice-Chair Diaz seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2022026861, Commissioner Smith motioned **to accept the counsel's recommendation**. Vice-Chair Diaz seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2022034651, Commissioner Farris motioned **to accept the counsel's recommendation**, and Vice-Chair Diaz seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2022040841, Commissioner Farris motioned **to accept the counsel's recommendation**, and Vice-Chair Diaz seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2022037501, Commissioner Torbett motioned **to assess a One Thousand Dollar (\$1,000.00) civil penalty for unlicensed activity**. Commissioner Tucker seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2022041841, Commissioner Farris motioned **to accept the counsel's recommendation**. Commissioner Guinn seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2022036971, Commissioner Torbett motioned **to assess a One Thousand Dollar (\$1,000.00) civil penalty for unlicensed activity**. Commissioner Tucker seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2022036971, Commissioner Torbett motioned **to defer this matter to the March Commission meeting to allow Counsel additional time to review court filings pertinent to this complaint**. Vice-Chair Diaz seconded the motion. The motion carried unanimously 6-1 with Commissioner Farris voting against.

**Anna Matlock:
New Complaints:**

1. **2022040831**
Opened: 10/10/2022
First Licensed: 2/11/2021
Expires: 2/10/2023
Type of License: Affiliate Broker
History: None

Complainant is principal broker. Respondent is an affiliate broker. Complainant alleges Respondent is a broker/owner in another state, but in Tennessee is an affiliate broker and is advertising as a broker/owner for an expired firm, separate than their affiliated Tennessee firm, in their email signature and website. Complainant believes this to be an advertising violation and submits screenshots.

Respondent answered the complaint stating they operate two (2) offices, one (1) in Tennessee and another in a separate jurisdiction. Respondent states their second office in the second jurisdiction represents 95% of their income and is compliant in that jurisdiction. Respondent states they are now aware the rules in Tennessee and their second jurisdiction are different and they are unable to use their email signature in the same manner and subsequently have updated their email signature. Tenn. Comp. R. & Regs. 1260-02-.12(1) includes email signatures in the definition of advertising. Therefore, Respondent is in violation of Tenn. Comp. R. & Regs. 1260-02-.12(b). As this is a first-time advertising violation, Counsel recommends Respondent be assessed a Five Hundred Dollar (\$500.00) civil penalty and an administrative complaint be opened against their principal broker for failure to supervise.

Recommendation: Five Hundred Dollar (\$500.00) civil penalty and open administrative complaint against Respondent's principal broker for failure to supervise.

Commission Decision: The Commission voted to assess a Five Hundred Dollar (\$500.00) civil penalty and require Respondent to complete the TREC CORE course. This is to be completed above and beyond Respondent's required continuing education requirements and within one hundred eighty (180) days. The Commission also voted to administratively open a complaint against Respondent's principal broker for failure to supervise.

2. **2022035591**
Opened: 10/10/2022
First Licensed: 6/8/1990
Expires: 10/2/2016
Type of License: Real Estate Firm (REVOKED)
History: 2021 Final Order

Complainant is a Tennessee resident. Respondent is a revoked firm. Complainant alleges they entered a contract with Respondent on August 18, 2021 – August 31, 2022, to lease an apartment,

that was later vacated on November 24, 2021, after providing notice. Complainant states they provided notice and have proof of emails stating they would not receive additional charges, but recently received an invoice for \$7,053.75 in back rent and damages. Complainant states they have learned Respondent is operating without a license and believes Respondent “illegally rented” them the unit.

Respondent did not provide a response. On August 17, 2021, Respondent’s license was revoked following a contested case hearing before an administrative law judge sitting alone on June 29, 2021. In the Final Order issued by the ALJ it was ordered Respondent “immediately **CEASE AND DESIST** from all activities governed under the Act or overseen by the Commission, until or unless licensed.” Respondent has yet to do so and is in direct violation of the ALJ’s Final Order. Therefore, Counsel recommends Respondent be assessed a One Thousand Dollar (\$1,000.00) civil penalty for unlicensed activity. Additionally, Counsel recommends this matter be referred to the Office of Attorney General, as the Commission has commenced a matter in May of this year in Shelby County Chancery Court against Respondent for their continued violations of the ALJ’s Final Order.

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

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

3. 2022036981
Opened: 10/17/2022
First Licensed: 10/26/2004
Expires: 12/14/2024
Type of License: Principal Broker
History: None

Complainant is a Tennessee resident. Respondent is a principal broker. Complainant makes several allegations against Respondent related to a real estate transaction. First, Complainant alleges Respondent transferred the earnest money following one (1) failed contact after the sellers disputed a failed test. Complainant details the circumstances that led to them ultimately signing the release for the funds, but states Respondent released the funds prior to the sellers signing their side of the release. Complainant provides no evidence to support this assertion. Complainant also alleges Respondent made empty promises to garner their business and cursed them over the phone in front of their family members. Complainant further alleges Respondent offered to have their child provide a fraudulent mortgage loan approval letter when it was requested by the other agent during the transaction. Lastly, Complainant alleges Respondent selected a title company of Respondent’s preference though it cost Complainant money and was a different closing company than originally contemplated in the Purchase and Sale Agreement.

Respondent answered the complaint stating the transaction began very well. Respondent states they listed and wrote a contract for the homes requested by Complainant. Respondent alleges the complaint is based upon a firework tent and Complainant’s displeasure with Respondent’s work. Respondent also alleges Complainant became very angry with them during the transaction, cursed

them, and said mean things to the closing attorneys and other agents. Respondent states Complainant decided to close and has taken steps to “bash” them, though Respondent believes they have done nothing wrong. Respondent does not believe there are any real estate violations and correctly handled this matter with the same care they have handled every customer. It is clear from both accounts this was a very acrimonious and tumultuous relationship and transaction. However, many of the allegations made by Complainant fall outside of the jurisdiction of the Commission and/or without evidence to support. The Commission does not have jurisdiction over matters related to ethics or professionalism as those matters are delegated to the association level. Based on the information provided, Counsel finds no violations of the rules or statutes of the Commission. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel’s recommendation.

4. **2022041481**
Opened: 10/17/2022
First Licensed: 11/18/2013
Expires: 11/17/2023
Type of License: Affiliate Broker
History: None

Complainant is a Tennessee resident. Respondent is an affiliate broker. Complainant alleges Respondent represented a couple they purchased a property from that needed the closing date moved up and required the couple to rent the house from Complainant for a week. Complainant states this request was granted and the rent money was to be paid via cashier’s check once Complainant took possession. Complainant alleges the cashier’s check was unusable and contained the wrong last name. Complainant alleges this check was printed on or about September 9, 2022, and upon telling Respondent was informed Respondent’s clients would mail a new check immediately. Complainant alleges Respondent’s client left Tennessee and closed their accounts, but Respondent stated their client would pay Complainant the amount by 5:00 p.m. on September 29, 2022. Complainant states this did not occur, and Respondent ignored calls, text messages, and emails, ultimately concluding with Respondent stating the contract ended. Complainant states Respondent is in breach of contract and may have knowingly helped their client breach the contract, commit fraud and misrepresentation.

Respondent answered the complaint stating their client had the check made out to Complainant for occupancy following closing and the bank misspelled the Complainant’s last name. Respondent states their client closed the bank account and went to another state, prior to establishing a new bank account to issue a new check back to Tennessee. Respondent states Complainant did not like the timeline for payment and filed the complaint. Respondent provided a copy of the occupancy agreement where it states the real estate agents are not part of agreement, and buyer and seller agree to hold both real estate agents and their firms harmless from all liability arising out of the occupancy agreement. Tenn. Comp. R. & Regs. 1260-02-.02(8) provides the Commission will not intervene in the settlement of debts, loans, draws, or commission disputes between firms, brokers, and/or affiliates. Here, any issue between Complainant and/or Respondent appears to be

contractual in nature. The Commission does not have jurisdiction in matters related to breach of contract. Based on the information provided, Counsel finds no violation of the rules or statutes by Respondent and recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

5. **2022041911**
Opened: 10/17/2022
First Licensed: 5/11/2020
Expires: 5/10/2024
Type of License: Affiliate Broker
History: None

Complainant and Respondent are affiliate brokers. Complainant alleges Respondent has a brokerage sign in the front yard of a property that is not listed on the MLS of two (2) different associations. Additionally, Complainant states the sign has an "Agent/Owner" attachment and Respondent is not the owner of the property.

Respondent answered the complaint stating a friend of the owner placed the sign on the property without their knowledge or direction. Respondent further states this sign was left in the garage until the owner was released from their contract with the Complainant due to their "incompetence and unethical behavior." Respondent states their friend has filed a complaint against Complainant and the sign was removed and will be placed when the house is listed. Complainant provided a rebuttal stating due to the location, Respondent must have brought the sign recently. Additionally, Respondent provides the statement alleging they are incompetent is unprofessional and Respondent should have better control of their signage.

Whether a property is or is not listed in the MLS is a matter for the association level and falls outside of the jurisdiction of the Commission. Additionally, Complainant provided no picture of the sign. Based on the information provided, Counsel finds no violation of the rules or statutes by Respondent. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

6. **2022041521**
Opened: 10/17/2022
First Licensed: 1/1/1901
Expires: 7/9/2024
Type of License: Real Estate Firm
History: None

Complainant is an out of state resident. Respondent is a real estate firm. Beginning on or about 2021, Complainant began a landlord and tenant relationship with Respondent. Complainant alleges during their residency they have been a victim of discrimination, due to their ethnic minority and single individual person statuses. Complainant makes several allegations against Respondent during their residence. First, Complainant states Respondent selects their renters by whichever individual places their deposit into the dropbox first instead of which person signs the lease first. Additionally, Complainant states there was a gap between their move-in date and the previous tenant that required Complainant to pay additional funds, the property was dirty, contained dead insects, and had incomplete work. Complainant also alleges Respondent has no way for residents to pay rent without incurring additional fees or an on-site manager with an easily accessible location. Further, Complainant alleges Respondent charged additional cleaning funds beyond what is normally charged though the property was very dirty upon arrival. During their stay, Complainant alleges the other tenants used their garbage bin and upon writing notes to other tenants to stop this use, Complainant was retaliated against with no assistance from Respondent. Complainant states the issue is not about a refund or monetary compensation, but fair practice and ethical standards for real estate agents and property management. However, Complainant states at minimum Respondent should refund some of the charges to show a sign of willingness to change.

Respondent answered the complaint through their attorney (“RC”). RC states Respondent follows standard rental procedures in leasing their property and tenants must pay a deposit to enter a lease. RC states when Complainant arrived at their property and were unhappy with the conditions, they were issued a two (2) day credit on their rent and provide copies of the various work orders for the apartment unit. Additionally, RC states Respondent charges a processing fee on all transactions as a pass through on costs Respondent incurs by accepting credit card payments. RC states Respondent routinely conducts move-out inspections and Complainant’s spouse voluntarily assisted and cleaned many of the areas during this time. Also, Respondent states they strive to provide a clean and safe premises and sent letters to other tenants informing them to use their own respective trash bins. RC closes stating they believe Complainant’s claims to be meritless and will provide any additional information upon request. Based on the information provided, Counsel believes that this matter is a landlord tenant dispute and substantively does not fall within the jurisdiction of the Commission. However, as Respondent is a licensed real estate firm, their overall conduct does fall within the jurisdiction of the Commission. Counsel finds no evidence to suggest that Respondent is violation of the rules and statutes of the Commission. The underlying substantive issues complained of, are those addressed in the *Tennessee Uniform Residential Landlord Tenant Act*, and therefore best suited for a court of competent jurisdiction. Therefore, Counsel recommends this matter be dismissed for lack of jurisdiction.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel’s recommendation.

7. **2022042131**
Opened: 10/24/2022
First Licensed: 9/22/2017
Expires: 9/21/2023
Type of License: Affiliate Broker

History: None

Complainant is a principal broker. Respondent is an affiliate broker. Complainant alleges Respondent practiced real estate without an active license and made willful and flagrant course of misrepresentation to their client, Respondent's mother. Complainant alleges Respondent's license was expired during the end of April 2022 until May 2022, while Complainant's client signed a Buyer's Representation Agreement with them on March 12, 2022. Complainant also states Respondent was briefly affiliated with their firm, but broker released in September 2022. During this time, Complainant alleges Respondent made unsolicited inappropriate text messages to one of their agents and advised Respondent's mother, Complainant's client, to terminate Complainant as their agent. Complainant states a listing agent refused to work with Respondent on multiple times due to their unprofessionalism and dishonesty.

Respondent answered the complaint stating when they approached Complaint, they were in the process of reinstating their license. Respondent refutes Complainant's claim they advised their mother to terminate the contract and states Respondent and Complainant came to an agreement that Respondent would take over the transaction once Respondent's license was active. Respondent states this did not happen. Respondent concludes stating they did not represent anyone in any capacity while their license was inactive. Complainant provided a rebuttal stating according to the listing agent, Respondent introduced themselves as a real estate agent for their mother. Complainant states they clarified to the listing agent that Respondent was not licensed and could not represent anyone, and this information had been clarified to Respondent several times over. Complainant alleges Respondent assisted their mother in discussing and advising on real estate contracts, how to negotiate offers and advising on accepting an offer.

Based on information obtained, Respondent had an expired license from September 21, 2021, until April 18, 2022. Complainant provides emails from March 2, 2022, and March 12, 2022, where Respondent uses the phrase "my client wants to make an offer" and then in another email questions other terms in the contract agreement. Complainant also provides a clarifying email to Respondent explaining they cannot practice without an active license and are the individual listing the property. However, there are no signed documents related to the transaction with Respondent's name. Due to the unique and very fact-specific circumstances and of the complaint, little substantiating evidence, familial connections of Respondent and the client, Counsel finds Respondent likely engaged in unlicensed activity at some point during this transaction. Unfortunately, the evidentiary support is minimal. Therefore, Counsel recommends Respondent be issued a Letter of Warning regarding unlicensed activity, or Tenn. Code Ann. §§ 62-13-103 and 62-13-301.

Recommendation: Letter of Warning.

Commission Decision: The Commission accepted counsel's recommendation.

8. 2022042621
Opened: 10/24/2022
First Licensed: 8/29/2018
Expires: 8/28/2024
Type of License: Affiliate Broker

History: None

Complainant is a Tennessee resident and former spouse of Respondent. Respondent is an affiliate broker. Complainant alleges in April of 2022 Respondent opened a credit card using their personal information and attempted a balance transfer. Complainant states they reported this information to law enforcement and Respondent made a second attempt that was later thwarted. Complainant alleges Respondent admitted to committing identify theft and the district attorney is working on a case. Complainant states they filed this complaint because of Respondent's position as a real estate agent allows them to see client's information.

Respondent states for the past five (5) years Complainant and their spouse have been using a credit card in their name accumulating over Twenty Thousand Dollars (\$20,000.00) in debt. Respondent states in April of 2022, they attempted to remove their name from the credit card and transfer the balance to Complainant's name. Respondent states Complainant has bullied, harassed, and attempted to financially destroy them for five (5) years—but recognizes their lapse in judgment. Respondent states they did admit this information to the detective and yet, they have not been charged with anything. Respondent states they sincerely apologize for their mistake. Complainant provided a rebuttal stating the Court found both parties to be responsible for the debt and accuses the Respondent of slandering their current spouse and is considering suit. Complainant also alleges there are ongoing issues relating to parenting and custodial issues. Counsel followed up with Respondent on the status of any pending civil or criminal charges and confirmed none were filed or forthcoming at this time. Based on the information provided, Counsel believes this incident to be a retaliatory domestic dispute between two former spouses, unrelated to any real estate transaction. Therefore, Counsel finds no violation of the rules or statutes and recommends that this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

9. **2022042331**
Opened: 10/24/2022
First Licensed: 1/17/2014
Expires: 1/16/2024
Type of License: Real Estate Firm
History: None

This matter is referred from the Office of the Attorney General, Division of Consumer Affairs.

Complainant is a Tennessee resident. Respondent is a real estate firm. Complainant alleges they purchased a townhome from Respondent in which the contract states if Respondent's lender is selected, Seven Thousand Five Hundred Dollars (\$7,500.00) will be paid toward closing costs as the seller. Complainant states they informed Respondent they would not be using Respondent's selected lender, but requested the same amount be reduced. Complainant alleges Respondent refused this request and then asked to only speak through Complainant's agent for the remainder of the transaction. Complainant states the lender in question is owned by Respondent.

Additionally, Complainant alleges they requested a Mortgage Financing Option that allegedly shows a seller-paid closing cost of Nine Hundred Ninety-Five Dollars (\$995.00) and Six Thousand Five Hundred Five Dollars (\$6,505.00) in lender-paid closing costs. Complainant claims for a lender to pay for some of their closing costs they would have to increase the interest rate to create a yield spread premium to do so. Therefore, Complainant alleges they overpaid Seven Thousand Five Hundred Dollars (\$7,500.00), or 75% higher than what they closed with and thousands more in interest charges. Complainant alleges Respondent is committing fraud in allowing them to choose the title company to close, a violation of *Real Estate Settlement Procedures Act* (“RESPA”).

Respondent answered the complaint through their attorney (“RC”). RC states Complainant entered an agreement in which Respondent offered Complainant certain incentives in connection with using Respondent’s preferred lender. Specifically, RC states Complainant was eligible for “a credit of up to \$7500.00 towards the closing costs actually charged to the [Complainants]” in exchange for using Respondent’s lender. RC states Complainant did elect a Seven Thousand Five Hundred Dollar (\$7,500.00) reduction in the purchase price in lieu of the credit to the closing cost but were informed the only incentive being offered was a contribution to the Complainant’s closing costs. RC states Complainant mischaracterizes the interest rate offered, as this was the rate Complainant qualified for based on Respondent’s underwriting guidelines. RC provides closing costs noted in the Mortgage Financing Option offered to Complainant included the usual and customary closing costs including origination charges, closing fee, title insurance, appraisal, etc. and the seller paid contributions offered by Respondent are applied to those charges as included in Respondent’s agreements. RC states there are no lender paid closing costs, but only purchaser’s costs and credits from the seller. RC denies Complainant overpaid for their home and incurred additional financing costs, as the amount was not being offered as a credit against the purchase of the home. Additionally, RC provides Respondent includes using their financing option is not a condition to purchase of property and is disclosed in their agreements and a Notice of Affiliations. RC states Respondent also suggests but does not require the use of certain title companies for closing.

Recommendation: Discuss.

Commission Decision: The Commission voted to dismiss the complaint.

10. 2022044761
Opened: 10/31/2022
First Licensed: 5/2/2011
Expires: 5/1/2023
Type of License: Affiliate Broker
History: None

Complainant is an out of state resident. Respondent is an affiliate broker. Complainant alleges a couple arrived at their resident stating they liked their property and inquired whether Complainant was interested in selling. The next day, Complainant alleges the couple brought their agent, Respondent, that ensured the couple was well qualified, had a loan in place, and put down earnest money. Complainant states two (2) months later the loan fell through due to financial issues and the couple were having issues qualifying for new financing. Complainant alleges the owner of

Respondent's firm ("Owner") offered for the firm to purchase the property at a lower price. Complainant states the property closed and then a month after closing Respondent's firm listed the property for Two Hundred Fifty Thousand Dollars (\$250,000.00) more.

Respondent answered the complaint stating they were approached by their client looking for lake homes in Tennessee. Respondent states they door knocked on Complainant's property and met with Complainant to discuss a possible transaction and documents were later drafted. Later, Respondent states the final loan did not get approved and Respondent notified Complainant their client was unable to close the transaction. Respondent then referred Complainant to the Owner and later set up a meeting with Complainant regarding purchase of their property. Respondent states during this meeting the Owner offered to purchase Complainant's property. At the conclusion of the meeting, Respondent asked the Owner if they would receive their commission if Complainant purchased their property and the Owner stated "no" and fired Respondent. Respondent states they believe the Owner intimidated, threatened, manipulated, pushed, and scared Complainant into selling their property for the Owner's own personal gain. Based on the information provided, Counsel finds no violations of the rules and statutes as it relates to Respondent. A separate complaint is currently pending against the Owner and will be presented to the Commission. However, as this complaint relates to Respondent, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

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

TIMESHARES:

11. **2022044031**
Opened: 10/31/2022
First Licensed: 8/23/2017
Expires: N/A
Type of License: Time Share Registration – Time Share Exempt
History: None

Complainant is a Tennessee resident. Respondent is a timeshare company. On or about January 21, 2022, Complainant alleges they met with an agent of Respondent at a property in Tennessee. During the conversation with an agent of Respondent, Complainant alleges they were informed of all the benefits they would receive, including discounts at hotels, air fare, car rentals, and cruises. Complainant states they were in contact with the agent often for the first ten (10) days, but when they attempted to schedule hotels for more vacation time the agent referred them to a different number and later blocked their calls. Complainant alleges the discounts they were promised were less than originally offered and are unable to cancel their contract because they are outside the ten (10) day period for cancellation. Complainant believes they were cheated by Respondent and their agent.

Respondent answered the complaint stating Complainant purchased a contract on January 21, 2022, with a certain points allocation that began on April 1, 2022, through March 31, 2024. Respondent states that Complainant has access to many offerings throughout their worldwide

exchange network and Complainant was provided this information through their Enrollment Agreement and Enrollment Agreement Terms and Conditions for their memberships. Based on the information received, Respondent states they were unable to find any information substantiating the allegations made forth in the complaint and respectfully deny the Complainant's cancellation request. Additionally, Respondent states they received correspondence from Complainant related to settlement of their debt and are in the process of reviewing this proposal. Based on the information and documents provided by Complainant and Respondent, Counsel finds no evidence that Respondent violated the rules and statutes as Complainant signed the Purchase and Sale Agreement and the rescission period has expired. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

CASES TO BE REPRESENTED

12. **2022028251**
Opened: 8/22/2022
First Licensed: 4/9/2018
Expires: N/A
Type of License: Time Share Registration
History: None

Complainants are Tennessee residents. Respondent is a timeshare company. Complainants state they stayed and purchased their first timeshare in October of 2017. Complainants state they have not been able to pay the biannual fees, only affording to pay with bonus points, cannot pay down their associated credit card, and have found little value of the purchase and have attempted to get out of the timeshare since October 2018 as it is a financial burden. Complainants state Respondent informed them there was an associated commission to re-sell their timeshare and Complainants would have to cover the difference in the loan and the commission out of pocket. Complainants detail how they did upgrade and vacation in 2020 and in January 2022 their resale value has not improved since 2018. Complainants state they have received no assistance from Respondent in leaving their timeshare and believe Respondent has been a dishonest organization that preys on at-risk individuals. Complainants are requesting release from their timeshare.

Respondents did not submit a response. As Respondent did not submit a response, Counsel recommends Respondent be assessed a One Thousand Dollar (\$1,000.00) civil penalty for violation of Tenn. Code Ann. § 62-13-313(a)(2).

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

Commission Decision: The Commission accepted counsel's recommendation.

New Information: Following dissemination of the consent order, Counsel discovered the incorrect timeshare company was contacted and named in the complaint as the Respondent.

Therefore, Counsel recommends the matter against the current Respondent be dismissed and an administrative complaint be opened against the correct Respondent for the opportunity for response and review.

New Recommendation: Dismiss and administratively open a complaint against correct Respondent.

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

Jeffrey Caudill:
New Complaints:

13. **2022026861**
 Opened: 8/8/2022
 Unlicensed
 History: None

Complainant is a sibling-in-law to a property owner. Respondent is unlicensed.

Complainant states it sold a condo to its sibling-in-law on October 9, 2020. Complainant states Respondent is the agent for the non-profit homeowner's association. Complainant states the non-profit homeowner's association was placed on "inactive dissolved" status on August 11, 2021, and then became an active non-profit corporation on April 30, 2022. Complainant states Respondent does not use monies paid to the homeowner's association for basic maintenance such as fixing rusted staircases, unsafe roofs, yard care not done, and paint peeling. Complainant states it fears the money paid to the homeowner's association is being used for things other than property repairs. Complainant states that code enforcement has given citations for some of the needed repairs.

Respondent did not provide a response to the allegations.

Counsel notes that there is no requirement that Respondent hold a real estate license to manage a homeowner's association nor is there a requirement that a homeowner's association be managed by a real estate brokerage. Counsel recommends the complaint be dismissed.

Recommendation: Dismiss

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

14. **2022032271**
 Opened: 8/15/2022
 First Licensed: 11/18/2014
 Expires: 11/17/2024
 Type of License: Affiliate Broker
 History: None

Complainant is an investor. Respondent is TREC licensee and business owner.

Complainant states they entered into a Joint Venture Agreement with Respondent on December 13, 2021, to renovate and flip a house. Complainant states Respondent violated the fiduciary duties owed a client and fraudulently had Complainant sign official TREC documents for further funds. Complainant states Respondent was a business partner to Complainant.

Respondent states Complainant was not a client but was business partner with the goal of flipping a house.

Counsel notes that both Complainant and Respondent state they were business partners engaged in flipping a home. All the evidence produced suggests this was a business arrangement and not a real estate deal between client and real estate agent. Counsel believes this matter does not fall within the purview of TREC and should be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

15. 2022029951
Opened: 8/30/2022
First Licensed: 6/29/2019
Expires: 6/20/2023
Type of License: Real Estate Firm
History: None

Complainant is a home buyer. Respondent is the selling real estate company.

Complainant states they entered into a purchase agreement with Respondent and that Respondent committed fraud in the amount of \$2,800.00. Complainant states thousands of dollars have been spent on a home warranty Respondent sold that did not exist. Complainant states Respondent waived Complainant's right to a home inspection and home warranty in the paperwork sent by Respondent. Complainant states Respondent sold Complainant a home warranty and two shipping containers which was not received. Complainant states that shortly after closing on March 21, 2022, they noticed the refrigerator was not working. Complainant states they had multiple conversations with Respondent regarding the home warranty information, but Respondent never sent it. Complainant states they grew tired of waiting on Respondent and removed the refrigerator to find a massive leak which ended up costing Allstate nearly \$20,000.00 in repairs.

Counsel states Respondent was served with the complaint on January 3, 2023. Counsel notes that Respondent has not responded to the allegations to date. Counsel's opinion, taking the allegations as written, is that Respondent violated Tenn. Code Ann. § 62-13-312(b)(20) (West) "The

commission shall have the power to refuse a license for cause or to suspend or revoke a license where it has been obtained by false representation or by fraudulent act or conduct, or where a licensee, in performing or attempting to perform any of the acts mentioned herein, is found guilty of: Any conduct, whether of the same or a different character from that specified in this subsection (b), that constitutes improper, fraudulent or dishonest dealing;”. Counsel recommends a civil penalty of \$1,000.

Recommendation: \$1,000 Civil Penalty

Commission Decision: The Commission accepted counsel’s recommendation.

16. 2022034651

Opened: 10/3/2022

Unlicensed

History: None

Complainant owns a real estate school. Respondent is a real estate school.

Complainant states Respondent is in violation of Tenn. Comp. R. & Regs. 1260-05-.06(1)(b) “(1) No course in real estate which is designed to satisfy educational requirements established in T.C.A. § 62-13-303 may be: (b) Advertised in conjunction with any advertisement for the business of a broker or brokerage firm” and Tenn. Comp. R. & Regs. 1260-05-.06(2) “No broker or brokerage firm shall use or cause to be used any facility in which a course in real estate designed to satisfy educational requirements established in T.C.A. § 62-13-303 is conducted for the purpose of discussing, inducing, or promoting affiliation with such broker or brokerage firm.”

Complainant states Respondents real estate company and its real estate school are closely related. Complainant submitted a LinkedIn post made a franchisee of the real estate company that stated, *“Considering a career in real estate? It’s easy to get started with (name of real estate franchisee). At (name of real estate franchisee) we understand that getting your real estate license can be costly. That’s why we’re excited to offer the required pre-license class for FREE to our prospective agents. Click here to learn more!”*. Complainant states that when it clicked on the associated link, Complainant was unable to open it. Counsel also notes that he was unable to open the link connected to the above mentioned LinkedIn post.

Respondent states the LinkedIn post was created by an independently owned and operated franchisee. Respondent states the post does not appear to violate Tenn. Comp. R. & Regs. 1260-05-.06(1)(b) because no franchisee is an approved provider of real estate courses, no particular courses are being advertised, and the franchisee is not advertising its brokerage business in the post.

Counsel opines that Respondent did not violate Tenn. Comp. R. & Regs. 1260-05-.06(1)(b) in the LinkedIn post because no course in real estate was advertised. In fact, the post only stated that it would provide the required pre-license class for free to prospective agents. Counsel opines the post does not advertise any course in real estate. Further, Counsel opines that Respondent did not violate Tenn. Comp. R. & Regs. 1260-05-.06(2) because there is no evidence suggesting

Respondent used any facility in which a course in real estate designed to satisfy educational requirements established in T.C.A. § 62-13-303 was conducted for the purpose of discussing, inducing, or promoting affiliation with a brokerage.

Counsel recommends the complaint be dismissed.

Recommendation: Dismiss.

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

17. 2022037531
Opened: 10/3/2022
First Licensed: 3/10/2011
Expires: 3/9/2023
Type of License: Real Estate Firm
History: 2020 Letter of Warning

Complainant is a prospective renter. Respondent is a principal broker.

Complainant states it met Respondent on July 12, 2022, to complete a rental application and pay the application fee and property holding fee. Complainant states it received a call from Respondent to pay the doubled security deposit and on July 28, 2022, paid the required deposit. Complainant states the previous tenants moved out on August 7, 2022. Complainant states Respondent called on August 6, 2022, asking Complainant to sign a lease and get utilities into Complainant's name. Complaint states there was some sort of issue with the sewer and Complainant informed Respondent it wanted its security deposit refunded.

Respondent states the property was listed as "coming soon" in July 2022 as the then tenant put in a 60-day notice to vacate. Respondent states Complainant pre-leased the unit by applying on July 11, 2022, prior to the tenant vacating the property. Respondent states Complainant signed a holding fee disclosure explaining that the deposit is forfeited if the property is held for more than 30 days, and Complainant failed to move into the property. Respondent states it held the property for the Complainant from July 11, 2022, until September 9, 2022. Respondent states that after consultation with the company owner, they decided to refund half of the deposit to Complainant. Respondent states it has tried to reach Complainant on multiple occasions with no response in order to arrange for pickup of the deposit. Respondent states it will forward the refund check to the address Complainant noted on the application.

Counsel opines that Respondent did not violate any TREC regulations and the complaint should be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

18. 2022040191

Opened: 10/3/2022
First Licensed: 1/31/1990
Expires: 6/12/2023
Type of License: Real Estate Firm
History: None

Complainant is a buyer of a new construction home. Respondent is a real estate firm.

Complainant states it signed a contract with Respondent on March 24, 2022, for a new construction home. Complainant states that during the planning phase, a drop-down staircase was added to the contract. Complainant states that implicit to the contract was that the attic space would be decked. Complainant states it stated the intent to deck the attic space numerous times and Respondent said nothing about building code not allowing the attic space to support greater than 10 pounds per square foot.

Respondent provided the applicable section of the contract between Complainant and Respondent. Respondent states the contract signed in March of 2022 indicated the attic pull down stair option and clearly indicates the option is just for access to the attic and not for storage.

Counsel's opinion is that Respondent did not violate any TREC regulations, and the complaint should be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

19. 2022034831
Opened: 10/3/2022
Unlicensed
History: None

Complainant alleges to be a remainderman to a life estate. Respondent negotiated an easement over property that Complainant allegedly owns an interest.

Complainant alleges its parent entered into a contract with Respondents company on July 14, 2022, for an easement on the property. Complainant alleges that the parent only held a life estate in the property and the Complainant is a remainderman who is slated to receive ownership of the property upon the parents' death.

Respondent states it does not believe it has done anything improper and the complaint is purely a civil matter.

Counsel opines that Respondent is not required to be a licensed real estate agent and did not violate any TREC regulations.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

20. 2022040771
Opened: 10/3/2022
First Licensed: 1/13/2016
Expires: 1/12/2024
Type of License: Affiliate Broker
History: None

Complainant is a Tennessee resident. Respondent is an affiliate broker.

Complainant states Respondent falsified documents pertaining to employment and licensing to evade paying back child support. Complainant states Respondent testified in a child support courtroom that it was no longer a resident of the United States and is a resident of Columbia in South America. Complainant states Respondent's agency also falsified documents and Respondent is wanted on class E felony charges in Tennessee.

Respondent states the following: "I am not aware of any falsified documents".

Respondent provided an unserved civil process. Counsel notes the civil process was directed to Respondent and the process server noted that Respondent does not live at the address provided and after diligent search and inquiry, Respondent is not to be found in my county. Counsel notes that Complainant did not provide any documentation to substantiate the claim that Respondent is wanted for failure to pay back child support.

Counsel notes that Respondent responded to this complaint. Counsel opines that despite the notation by the process server alleging that Respondent does not reside at a particular address, it does not prove anything related to TREC regulations. Counsel's opinion is that no evidence has been presented to suggest that Respondent has violated any TREC regulations.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

21. 2022040071
Opened: 10/10/2022
First Licensed: 5/10/2006
Expires: 12/17/2023
Type of License: Principal Broker
History: None

Complainant is a seller. Respondent is a principal broker.

Complainant states it used Respondent as its real estate agent in the purchase of a home in July 2019. Complainant states on March 15, 2022, it listed a house for sale using Respondent as the

agent. Complainant states it would get notifications through Zillow that someone wanted to tour the home but never got a message from Respondent that tours were scheduled. Complainant states Respondent conducted a couple of tours, and both submitted offers on the house. Complainant states it accepted an offer after some hesitation, but states Respondent devised a plan whereby there would be entering a contract for a certain amount of money with a separate loan for another amount of money. Complainant states Respondent devised another plan to allow the homebuyers to move into the house prior to closing. Complainant states the individuals move out and Respondent put the house back on the market on August 10, 2022, at \$5,000 less without Complainants permission. Complainant states it asked to be released from the contract with Respondent on August 15, 2022. Complainant states Respondent was showing the house while the pool was dirty, the landscaping was overgrown, and the previous tenants left fleas in the house. Complainant states Respondent was not loyal to Complainants interests as a buyer in July 2019 because Complainant because it did not know the seller was responsible for repairing issues that were present when Complainant bought the home. Complainant states after the termination of the contract with Respondent, Complainant reached out to previous homebuyers who had occupied the property who stated they had never put up any earnest money. Complainant states the earnest money was deposited into Complainants account due to the contract falling through but it did not come from the homebuyers.

Respondent states on March 23, 2019, a purchase and sale agreement were entered into by Complainant to purchase a home. Respondent states the home closed on July 12, 2019. Respondent states it did guide Complainant in writing the offer that was contingent upon inspections and appraisals. Respondent states on April 4, 2019, Complainant had the home inspection done by a licensed home inspector which resulted in Respondent helping Complainant draft a repair proposal to seller. Respondent states the seller agreed to make the repairs for the Complainant.

Respondent states on or about March 15, 2022, Complainant contacted Respondent about listing its home. Respondent states an offer was accepted and following the inspection, the buyer terminated the agreement during the due diligence period, citing too many repairs. Respondent states it is first time it has ever heard of the Zillow requests to view the property as alleged by the Complainant. Respondent states that 2 offers were received, and all offers were presented to Complainant. Respondent states Complainant accepted an offer. Respondent states Complainant allowed the buyer to move in prior to closing at a premium to Complainant. Respondent states the money for the early move in was deposited into Complainants account. Respondent states the buyer's credit was pulled again prior to closing and it found a lien against buyers. Respondent states the buyers could not satisfy the lien and thereafter terminated the purchase agreement. Respondent states Complainant provided a list of what the buyers owed Complainant for damages which Respondent states was delivered to the buyers. Respondent states the price lowering was a mistake that occurred when it changed the house from pending on the MLS to active, Respondent states it did not think about the pending price still being there. Respondent states the price was corrected quickly upon learning of the mistake.

Counsel's opinion is that Respondent did not violate any TREC regulation, and the complaint should be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

22. 2022040541
Opened: 10/10/2022
First Licensed: 3/15/2002
Expires: 1/4/2024
Type of License: Principal Broker
History: 2019 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance

Complainant is a buyer. Respondent is a principal broker and listing agent.

Complainant states it is purchasing property totaling 24.71 acres. Complainant states the pictures presented by Respondent show areas that are not part of the 24.71 acres to include a barn. Complainant states that if it had not done its due diligence, Complainant would not have known that most of the property shown was not part of the property Complainant is purchasing.

Respondent states it clearly advertised 24.71 acres for sale and at no time advertised a barn. Respondent states that had there been a barn then it would have advertised the property as such. Respondent states it is "completely dumbfounded" by the complaint as the photo clearly shows a barn in the distance and on the other side of the road from the subject property. Respondent states the photos were an attempt to show the views from the top of the hill. Respondent states the Complainant is moving forward with the purchase despite being offered the opportunity to walk away.

Counsel reviewed the photos submitted by the Complainant. Counsel's opinion is that the photos do not appear to misrepresent the property and the barn mentioned in the complaint is clearly on the other side of the road. Counsel opines that had the Complainant had any question as to where property lines were located then Complainant should have asked for clarification. Counsel's opinion is Respondent complied with all TREC regulations and the complaint should be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

23. 2022040841
Opened: 10/10/2022
First Licensed: 10/16/2020
Expires: 10/15/2024
Type of License: Affiliate Broker
History: None

Complainant is a buyer. Respondent is the listing agent.

Complainant states the purchase agreement was subject to the appraisal meeting or exceeding the contract price. Complainant states the appraisal came in under the contract price on September 1, 2022. Respondent, being the buyer, states it appealed the appraisal in order to seek a higher price for the seller, but the appeal was denied by the appraiser. Complainant states that a copy of the appraisal was provided to Respondent immediately. Complainant states Respondent circumvented Complainant and Complainant's agent by going directly to Complainant's bank to negotiate. Complainant states Respondent used "strong arm tactics" by threatening to withhold earnest money if Complainant did not close on the property.

Respondent states the offer to purchase was accepted on August 15, 2022, for \$100,000. Respondent states the contract was dependent upon on the appraisal which was performed but Respondent states it did not hear anything about it until one day prior to closing on September 1, 2022, when Respondent heard the appraisal came in the low "90's" and Complainant had requested a revision to appraisal to try to achieve a higher value. Respondent states the information seemed strange because usually the buyer would want a lower price but instead the Complainant decided to contest the value without any discussion with the seller or without asking the seller if it would accept the appraised value and close on the property. Respondent states the seller wanted proof of the appraisal and Respondent requested the appraisal from Complainant's agent but did not receive a copy. Respondent states the Complainant's agent sent an email stating the Complainant is requesting revision and if the revision can't be done then the Complainant will proceed with the \$91,000 sales price. Respondent states it again asked for a copy of the appraisal showing \$91,000 but the request to the Complainant's agent was ignored. Respondent states it then reached out to the Complainant's lender to see if it could get an update on the appraisal and the closing for the next day. Respondent states Complainant's agent emailed a copy of the appraisal which came in at \$95,000. Respondent states it asked the Complainant's agent why it had lied, and Complainant's agent responded, "We have to account for closing costs in the total payment on our investments. The all-in costs can't exceed the appraisal price. I wish I could do more, that's how our line of credit works. Total closing cost, tax and title, etc. will be in the range of \$3,300 – 4,000. This is why the price is set at \$91,000 as it provides conservative room to get to \$95,000 total. \$91,000 purchase + closing cost = \$94,300 - \$95,000 total." Respondent states the Complainant's agent sent a termination and contract release. Respondent states the title company holds the earnest money and the seller refused to sign the release of earnest money.

Counsel's opinion is that Respondent acted ethically and did not violate any TREC regulation. Counsel recommends the complaint be dismissed.

Recommendation: Dismiss.

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

24. 2022041761
Opened: 10/10/2022
First Licensed: 9/10/2019
Expires: 9/9/2023
Type of License: Affiliate Broker
History: None

Complainant is a real estate agent. Respondent is a real estate agent.

Complainant states Respondent text on September 9, 2022, informing Complainant that Respondent was at the house and there was a leak. Complainant states Respondent did not have an appointment or permission to be at the home and Complainant requested Respondent to not go back until the final walkthrough. Complainant states Respondent texted on September 12, 2022, that it went back to the home to drop off paint. Complainant states Respondent texted on September 13, 2022, saying it forgot to cancel the plumber and the plumber stated there was no major leak. Complainant states Respondent emailed on September 14, 2022, to inform Complainant that it had scheduled a foundation inspection for the following Monday. Complainant states the seller declined the foundation inspection since the inspection period was over more than a week previously. Complainant states its client texted on September 15, 2022, stating he went to his home and the island had been removed from the kitchen. Complainant states it asked Respondent again to not be on the property until the final walkthrough. Complainant states Respondent sent a message explaining the confusion and how it had got two homes mixed up.

Respondent states it had contracts on two properties for the same buyer and the homes are literally around the corner from each other. Respondent states it had texted both listing agents before the scheduled closings asking them if it was possible to get permission to drop off some painting supplies and have the contractor prep the walls to paint. Respondent states one of the listing agents texted Respondent back saying it was fine. Respondent states it mistook the text as being from the Complainant and then dropped off a couple drums of paint in the garage. Respondent states that when it walked into the kitchen it saw a huge amount of water on the kitchen floor. Respondent states it got towels and dried the water, then texted Complainant the next day to inform that the contractor was repairing the leak. Respondent states it was then that it realized it was not Complainant who had given permission to patch the walls but was the other agent. Respondent stated it told Complainant how the error had occurred and apologized. Respondent states the home closed without issue but acknowledges the mistake saying it will never ask permission to start any work on homes prior to closing.

Counsel recommends a letter of warning be issued to Respondent for failure to use adequate care.

Recommendation: Letter of Warning for failure to use adequate care.

Commission Decision: The Commission accepted counsel's recommendation.

25. 2022037501

Opened: 10/17/2022

First Licensed: 11/7/2007

Expires: 4/2/2017 (Expired)

Type of License: Affiliate Broker

History: 2014 Consent Order; 2016 Final Order; 2018 Close and Flag; 2018 Close and Flag

Complainant is a property owner. Respondent is unlicensed (affiliate broker license expired).

Complainant states their rental home has been managed by Respondent for years. Complainant states when Respondent left the rental company, Complainant stayed with Respondent. Complainant states Respondent told them they did not need a new contract and continued to rent Complainant's home each time a new tenant was needed. Complainant states that in early 2022 Respondent stated the tenant wanted to replace the dining room carpet. Complainant states they tried for months to get someone to measure and quote the carpet change, but the tenant would not let them into the home. Complainant states in April 2022 Respondent said the tenant was moving and would do an inspection. Complainant states Respondent stated the carpet in the entire home would need to be replaced. Complainant stated it told Respondent they would get a cleaning company to clean it professionally. Complainant states the following week Respondent said it had cleaned it and was pulling out the old carpet that Complainant had hired a company to do. Complainant states it had their daughter check the home which found \$12,000 in damages not to include the upgrades Complainant had decided to make.

Respondent did not respond to the allegations.

Counsel's opinion is that Respondent engaged in unlicensed activity and may have committed criminal acts that is beyond the purview of TREC. Counsel recommends closing and flagging this complaint.

Recommendation: Close and flag.

Commission Decision: The Commission voted to assess a One Thousand Dollar (\$1,000.00) civil penalty for unlicensed activity.

26. 2022041011
Opened: 10/17/2022
First Licensed: 3/1/1996
Expires: 11/6/2023
Type of License: Principal Broker
History: None

Complainant is a TREC licensee. Respondent is a TREC licensee.

Complainant states it had an exclusive buyer's representation agreement with a buyer. Complainant states it showed the buyer a lot. Complainant states buyer stated it was leasing for a while and was not in a buying mode. Complainant states buyer purchased a lot that was near the lot Complainant had shown the buyer using Respondent as the buyer's agent and while buyer was still under the exclusive buyer's representation agreement with Complainant. Complainant states Respondent received a commission for the sale of the property.

Respondent states it had worked with the buyer for months. Respondent states the buyer said he had talked to several agents but had never signed anything. Respondent stated that when it told buyer an agent claims to have an exclusive agreement signed by him, buyer exploded saying the

agent had him sign a one-time showing to see the listing. Respondent stated the buyer said the agent had lied about being the listing agent.

Counsel notes this complaint is a contractual, commission disagreement that is outside the purview of TREC. Counsel's opinion is Respondent did not violate any TREC regulation.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

27. 2022041341
Opened: 10/17/2022
First Licensed: 2/1/2017
Expires: 9/17/2024
Type of License: Principal Broker
History: None

Complainant is a property owner. Respondent is a TREC licensee.

Complainant states Respondent entered and traveled approximately 1.3 miles on clearly marked privately owned and maintained road. Complainant states Respondent was stopped and informed it was trespassing. Complainant states Respondent became argumentative and implied it was representing a client by stating, "what if I was representing Jim Clayton, he owned most of the land here". Complainant states Respondent was asked if it was representing a landowner to which Respondent refused to answer. Respondent states the Sheriff was called and Respondent finally left.

Respondent states that as a real estate agent it frequently drives the roads and in this particular area subdivisions were started in the early 2000's that never really took off. Respondent states that hundreds of lots were sold at a premium price to people who believed there would be public water and roads. Respondent states, regarding the specific allegations, it did drive past the signs Complainant had posted and when driving toward the back of the subdivision, there was a tree across the road. Respondent states that as it turned around to start back out, Complainant stopped Respondent stating it was trespassing. Respondent stated it told Complainant the roads are private but not restricted. Respondent states Complainant called the Sheriff and told him they had a trespasser who refused to leave. Respondent denies refusing to leave and states Complainant said it was welcome to wait until the Sheriff arrives. Respondent states the Sheriff indicated Complainant could restrict access, Respondent states it does not believe the Sheriff is aware of many absentee landowners in the subdivision and while the road is not maintained by the county, the road is unrestricted. Further, Respondent states the Complainant bought 4 lots in the subdivision but did not buy the road.

Counsel's opinion is that Respondent did not violate any TREC regulation and recommends the complaint be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

28. 2022041651
Opened: 10/17/2022
First Licensed: 8/26/2016
Expires: 8/25/2024
Type of License: Affiliate Broker
History: None

Complainant is a prospective buyer. Respondent is a listing agent.

Complainant states an offer was submitted on September 26, 2022. Complainant states Respondent sent a message stating we've got a deal. Complainant states after reviewing the inspection report, Complainant asked for a few items to be addressed. Complainant states Respondent sent a message stating the seller had another offer and they're discussing and will have an answer for Complainant very soon. Complainant states Respondent later sent a message saying the seller elected to accept another offer.

Respondent states Complainant reached out to it, as the listing agent, wanting to make a full price offer. Respondent states it was initially confused by the text as it was not familiar with Complainant, Respondent asked if Complainant had viewed the property and if Complainant was working with an agent. Respondent states Complainant responded it had seen the property and was working with an agent. Respondent states it suggested to Complainant to work with its agent to submit an offer. Respondent states the offer was submitted that was contingent upon Complainant selling its home. Respondent states a counteroffer was sent on behalf of seller and when it was returned by Complainant, Complainant had requested that several items be repaired as part of the offer. Respondent states that before acceptance of Complainants counteroffer, the seller accepted a competing offer from another buyer.

Counsel's opinion that Respondent acted ethically and did not violate any TREC regulation. Counsel recommends complaint dismissal.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

29. 2022041841
Opened: 10/17/2022
First Licensed: 2/16/2006
Expires: 2/15/2024
Type of License: Affiliate Broker
History: None

Complainant is the seller. Respondent is the buyer's agent.

Complainant states a home inspector arrived on August 1, 2022 and did at least \$2,500 in damage by spreading insulation over clothing and by leaving mud throughout the house. Complainant states on August 25, 2022, Complainant's power of attorney contacted Complainant to tell it that buyers were moving into the house. Complainant states the closing was to take place on August 26, 2022. Complainant states it called the police who had the buyers vacate the residence. Complainant states Respondent gave buyers permission to enter the home.

Respondent states it and the buyer have used the inspector in the past and have never heard a complaint. Respondent states after the inspection, a repair proposal was submitted to Complainant to request the roof to be evaluated by a professional roofer. Respondent states the inspector stated a small amount of insulation fell but the seller told the inspector not to worry about it. Respondent states this is the first it has heard of mud in the house or that Complainant had to throw away belongings up to \$2,500 in value. Respondent stated, in response to Complainant's statement that the house was in "mint condition", there was a pungent dog smell throughout the house and dog urine and feces on the carpet in the bedrooms. Respondent states that the buyer needed to leave a car in the driveway and Respondent stated it reached out to seller's agent who contacted seller. Respondent states seller gave permission saying it had already moved out and would not even be at the closing. Respondent states the buyer had mattresses in the back of a truck and it was going to rain. Respondent states the buyer requested it be able to park the truck inside the garage to keep everything dry. Respondent states the buyer already had insurance on the house and the utilities had been switched to the buyer's name. Respondent states the police were called and Complainant revoked permission for the buyer to park a car. Respondent states the property closed the next day.

Counsel opines that the only technical mistake by Respondent was in allowing the buyers to move a pickup truck into the garage prior to closing and without permission. Counsel recommends a letter of warning be issued to Respondent for standard of care.

Recommendation: Letter of Warning.

Commission Decision: The Commission voted to dismiss the complaint.

30. 2022041901
Opened: 10/17/2022
First Licensed: 10/26/2015
Expires: 10/25/2023
Type of License: Affiliate Broker
History: None

Complainant is a prospective buyer. Respondent is a listing agent.

Complainant states it contacted Respondent to view the listing and Respondent referred Complainant to another agent. Complainant states it wants to work with listing agents only and the agent Respondent referred Complainant to wanted Complainant to sign a buyer's agent contract and provide a pre-approval letter. Complainant states it requested Respondent show the house.

Complainant states Respondent said it was not worth its time and money to show Complainant the house unless it signed with an agent.

Respondent states Complainant was hostile toward agents when asked to provide a pre-approval letter or proof of funds creating a concern for Respondents safety. Respondent states Complainant was never told it could not see the property but was told it needed to provide a pre-approval letter. Respondent states that due to the combativeness of Complainant and lack of will to provide a pre-approval letter before viewing, it raised concerns as to whether Complainant is qualified to purchase but also concerns for the safety of Respondent and other agents.

Counsel's opinion is that Respondent has a legitimate interest in its safety and in asking for a pre-approval letter. Counsel's opinion is that Respondent did not violate any TREC regulation and recommends the complaint be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

31. 2022042061
Opened: 10/17/2022
First Licensed: 6/26/2001
Expires: 9/6/2023
Type of License: Real Estate Broker
History: None

Complainant is part of a property trust. Respondent is the selling agent.

Complainant states Respondent is misclassifying and hiding major issues with the property, the biggest of which being the septic tank which was permitted for a 2-bedroom home but is listed as a 5-bathroom, 2-bedroom home. Complainant states there are some issues with the property such as settling, and load bearing issues and wants the property taken off the market.

Respondent states the Trustee contacted Respondent stating it had been in contact with an attorney and asking Respondent to market the home. Respondent states the Trustee said that one of its siblings was in agreement to sell the property while the other sibling, the Complainant, was not. Respondent states an agreement was signed with Trustee to begin marketing the property on September 16, 2022. Respondent states Complainant sent several emails regarding the property; however, the Trustee asked Respondent to refrain from responding to the Complainant. Respondent states the county health department advised that no inspection or additional permitting was required for the septic system. Further, Respondent states the county health department only issues bedroom approvals for septic tanks and property owners are not limited as to the number of bathrooms that can be built in a home.

Counsel's opinion is Respondent did not violate any TREC regulation and recommends the complaint be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

32. 2022042411
Opened: 10/17/2022
First Licensed: 8/7/2020
Expires: 8/6/2024
Type of License: Affiliate Broker
History: None

Complainant is anonymous. Respondent is a TREC licensee.

Complainant alleges Respondent is in violation of TREC rules and submitted a photograph of a yard sign of Respondents that is posted in a yard next to a street.

Counsel notes the sign is in violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b) "... The firm name must appear in letters the same size or larger than those spelling out the name of a licensee or the name of any team, group or similar entity."

Respondent states the listing sign has been removed from the property and a new one was ordered the moment Respondent's broker made Respondent aware of the issue.

Counsel recommends Respondent be assessed a civil penalty in the amount of \$250 for violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b).

Recommendation: \$250 Civil Penalty.

Commission Decision: The Commission accepted counsel's recommendation.

33. 2022040511
Opened: 10/17/2022
First Licensed: 9/29/2009
Expires: 9/28/2023
Type of License: Real Estate Firm
History: None

Complainant is the purchaser of a vacation club membership. Respondent is the vacation club.

Complainant states Respondent said many things to make investing in the timeshare look appealing including how it could be passed on to Complainant's children. Complainant states they went to Tennessee after receiving a phone call from Respondent offering a free 4 day and 3-night stay if Complainant would pay \$199 for a room and go to a presentation for one hour. Complainant states they were told to bring a credit card and identification and after the meeting the \$199 would be refunded. Complainant states the meeting lasted well over one hour and were told if Complainant would buy into this timeshare, it could use the points to stay at many different hotels and resorts.

Complainant states it was told it would have priority over other people that did not belong to the vacation club. Complainant states Respondent stated it could refinance with our bank or credit union to pay it off and the interest would be lower. Complainant states many of Respondents resorts have the same type sales pitch whereby Complainant is pressured to upgrade their timeshare membership. Respondent states it received a call from someone stating it was the timeshare company and they needed \$1,400 to rent the room for a convention because they needed extra rooms and Complainant was told after the convention and the rooms were paid for, they would then send Complainant the money back along with an additional \$3,600. Complainant states they were scammed for \$1,400 because the time share company never told Complainant it would not be contacted by the timeshare company to rent out Complainants time.

Respondent states it is true that ownership interests can be passed on to children in the same manner that other real property can be transferred. Respondent states Complainant executed a form that states “refinancing options for Timeshare Interests are limited. You are not relying on any promise or expectation of refinancing you loan in the future”. Respondent states that to the extent Complainant expressed to the sales consultant that that the desired reservations require a higher amount of vacation club points, the sales consultant would have suggested that Complainant purchase additional vacation club points, affording Complainant more options and flexibility when securing desired reservations. Respondent states Complainant was under no obligation to purchase additional vacation club points. Respondent states their records confirm Complainant has attended 4 sales presentations and has entered into 3 purchase transactions with Respondent. Respondent states Complainants request for cancellation of the timeshare contract is denied by Respondent because the rescission period has passed.

Counsel’s opinion is that Respondent did not violate TREC regulations and recommends the complaint be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel’s recommendation.

34. 2022042111
Opened: 10/17/2022
First Licensed: 9/29/2009
Expires: 9/28/2023
Type of License: Real Estate Firm
History: None

Complainant is the purchaser of a vacation club membership. Respondent is the vacation club.

Complainant states it has attended high pressure meetings from Respondent for ten years in Florida and most recently in Tennessee. Complainant states it was told that due to added levels and point system, our “signature level” was now the standard but if Complainant wanted to upgrade, we could but the offer was only good while Complainant was in Respondent’s office. Complainant states it discovered it could not rent a unit along the east coast except for a single bedroom unit

that would not accommodate all the family. Complainant states Respondent is manipulative, dishonest in its business practices, makes false product claims, and hides terms in its agreements.

Respondent states the company's sales consultants do not prevent from leaving without making purchases. Respondent states its inventory changes daily and cannot guarantee that any incentives offered in connection with a presentation will be available at a later date. Respondent states that to the extent Complainant felt the purchase options presented did not meet its needs and/or budget, Complainant was welcome to decline the options and/or rescind the purchase within the applicable rescission period, which Complainant did not do. Respondent states Complainant was given clear disclosure that all reservations are based upon availability.

Counsel's opinion is that Respondent did not violate TREC regulations and recommends the complaint be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

35. 2022036971
Opened: 10/17/2022
Unlicensed
History: None

Complainant is a renter. Respondent is a property management company.

Complainant states Respondent billed Complainant \$508 repairs including taking a small piece of wood out of the gate because it was leaning and added a few nails. Respondent replaced the bolts in the security door because the others had rusted out and fixed the inside of the outside door frame because the wood had decomposed so badly that Complainant could not lock the door. Complainant states Respondent scheduled with Complainant's case manager a 14-day notice to vacate the premises because Complainant reached out to the CEO and his wife with the review.

Respondent did not respond to the complaint.

Counsel opines that Respondent is not required to be a TREC licensee and the allegations do not violate a TREC regulation. Therefore, Counsel recommends dismissal.

Recommendation: Dismiss.

Commission Decision: The Commission voted to assess a One Thousand Dollar (\$1,000.00) civil penalty for unlicensed activity.

36. 2022042741
Opened: 10/17/2022
Unlicensed
History: None

Complainant is a renter. Respondent is a property manager.

Complainant states it contacted Respondent on September 23, 2022, to obtain information regarding steps to be taken to move out. Complainant states the employee it spoke to was rude for absolutely no reason at all. Complainant states Respondent has slammed doors in its face for asking a question, overcharging for insurance, and accused of having a pet after paying the termination fee. Complainant states Respondent claims to have found dog feces and after paying the termination fee on October 3, 2022, was charged a pet fee of \$700 on October 4, 2022. Complainant states it does not own a dog and the Respondent is harassing Complainant because it terminated the lease agreement early.

Respondent states on October 4, 2022, maintenance was working on unit next door to Complainant where they noticed two dogs, a German Shepherd, and a Chihuahua, in the patio window of Complainant's unit. Respondent states that maintenance indicated the dogs were barking loudly which caught their attention. Respondent state that all leases a dog deposit is required of \$350 is required for each pet. Respondent states that as a courtesy, one of the charges was removed from Complainant's account leaving a \$350 balance. Respondent states it did a walkthrough on October 11, 2022, and noticed the unit was very clean with the exception of dog feces in the carpet. Respondent states it did not charge Complainant a cleaning fee. Respondent states that every payment Complainant has made with the exception of money required at move in was an online payment and a detailed record exists.

Counsel notes the Respondent did not violate any TREC regulation and recommends the complaint be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

37. 2022038191
Opened: 10/24/2022
Unlicensed
History: None

Complainant is a person whose entire complaint states Respondent is "Selling property without a real estate license for commission for other people or ones self."

Counsel notes that Complainant provided no other information regarding the complaint. Counsel also notes that Respondent is not a TREC licensee and did not respond to the complaint. Counsel opines there is not enough information to conclude if a TREC violation occurred and recommends dismissing the complaint for lack of information.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

38. 2022040161
Opened: 10/24/2022
First Licensed: 10/18/2021
Expires: 10/17/2023
Type of License: Affiliate Broker
History: None

Complainant is a seller. Respondent is the listing agent.

Complainant states it listed its commercial property with Respondent and after a couple months felt poorly represented. Complainant states Respondent's inexperience and unprofessionalism led to Complainant's decision to ask to be released from the listing contract. Complainant states Respondent would not release the listing at first but then tried to keep the listing by saying it had a buyer. Complainant states that when the buyer did not show up then Respondent seemed to always have another that seemed to materialize out of thin air. Complainant states they received an offer from a buyer that Complainant brought to Respondent and one that the Respondent would have to split commission with another agent. Complainant states on the very day the offer was submitted, it received a full price offer from a client that Complainant now suspects may have not been an actual buyer, but one used to get the real buyer to go away. Respondent states it fired Respondent who tried to extort \$4,500 from Complainant in order to be released from the contract. Complainant states Respondent signed the release but not before including a list of agents that Respondent would require a commission from if they listed the property within the next 180 days.

Respondent states on August 21, 2022, it received an offer to purchase on the same day Complainant asked to release from the listing contract. Respondent states the offer to purchase came through the agent with whom Complainant now wanted to list the property. Respondent states is presented the offer to Complainant, but it did not accept the offer. Respondent states on August 22, 2022, it received a full price offer of \$1,100,000 which was submitted to Complainant. Respondent states the purchase agreement included a 25 due diligence period with an October 6, 2022, closing. Respondent states the buyer was to pay an earnest money deposit of \$33,000 and provide proof of funds which the buyer promptly completed. Respondent states the buyer requested documents, employee information, tax returns, and numbers which the Complainant was very slow to respond to the requests. Respondent states on September 9, 2022, the buyer requested an extension of the due diligence period by 2 additional weeks with no change in the closing date so that buyer could fly a golf course expert to evaluate the course. Respondent stated the Complainant asked for an additional \$15,000 of non-refundable earnest money in order to grant the extension. Respondent states the buyer was not willing to pay additional monies for the extension and the Complainant stated it wanted to terminate the contract and return the \$33,000 in earnest money which did occur. Respondent states it never tried to extort money from Complainant. Respondent stated that one of the brokers suggested it remove the fee and put in a list of potential buyers to whom Respondent had shown the property and insert the following language, "If any of the following agents or buyers below purchase the property in 180 days the seller is required to pay Respondent 4% of purchase price." Respondent states the Complainant and spouse signed this document that was attached to the RF 151.

Counsel opines that Respondent acted with reasonable skill and care and did not violate any TREC regulations.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

39. 2022041771
Opened: 10/24/2022
First Licensed: 1/18/1978
Expires: 4/5/2023
Type of License: Principal Broker
History: None

Complainant is a seller. Respondent is a TREC licensee.

Complainant states Respondent did not have a legitimate listing of the home that was being sold as a result of divorce. Complainant states it agreed to participate in a one-time transaction with Respondent and agreed to accept an offer. Complainant states arrived at closing on November 30, 2022, ready to close having vacated the home, move all furnishings to storage, found temporary housing, paid to move furniture and entire life's possessions out of the home in anticipation the offer was legitimate. Complainant states it terminated home insurance, landscaping contracts, and home utilities. Complainant states Respondent did not notify Complainant that neither Respondent nor buyer were showing up at closing. Complainant states Respondent does not have an office where Respondent claims it to be.

Respondent states Complainant would not allow Complainant to show the property as long as Respondent was the listing agent. Respondent states in late September and early October 2022 showings became possible. Complainant began acting as an agent, personally calling agents for feedback, emailing agents to tell them Respondent was not doing its job, and calling buyers bankers when acceptable offer did come through. Respondent states that in order to appease Complainant, it asked another agent to show the property as Respondent knew it would not be allowed to show the home. Respondent states it did find out until early Monday morning on the closing date that the deal had fell through. Respondent states it reached out to the title company who stated Complainant was already at the location but Respondent states it had been warned against calling Complainant.

The allegations presented do not support a finding that Respondent violated any TREC regulation.

Recommendation: Dismiss.

Commission Decision: The Commission voted to defer this matter to the March Commission meeting to allow Counsel additional time to review court filings pertinent to this complaint.

40. 2022042181

Opened: 10/24/2022
First Licensed: 1/5/1987
Expires: 10/8/2024
Type of License: Principal Broker
History: None

Complainant is a buyer. Respondent is a TREC licensee.

Complainant states Respondent told Complainant that all repairs required by the VA were complete. Complainant states they were not complete as a roof leak was not addressed. Complainant states Respondent knowingly and willfully allowed Complainant to close while withholding information for Respondent's financial benefit.

Respondent states the lender stated the appraiser approved the VA repairs and the VA underwriter approved the VA loan to close. Respondent included copies of text messages to support this claim. Respondent states Complainant decided to not have a home inspection completed and signed the Disclaimer and Inspection Notice to that effect.

Counsel opines that Complainant presented insufficient evidence to support a finding that Respondent knew or willfully withheld information that the roof was in need of repair. Counsel recommends dismissal of the complaint.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

41. 2022042371
Opened: 10/24/2022
First Licensed: 10/2/2001
Expires: 10/23/2024
Type of License: Principal Broker
History: None

Complainant is anonymous. Respondent is a principal broker.

Complainant states Respondent needs to be investigated along with other realtors for "violating all the brokerage listings that no one cares around here about signs or how they post on the internet like if they don't have Brokers, CAR or the real estate commission."

Respondent states it does not know how to address this complaint. Respondent states it did include many violations committed by the agents who have left Respondents company.

Counsel believes that all the website and social media posts submitted by Respondent against agents who have left Respondents agency have been addressed in numerous other complaints. Counsel concludes the complaint against Respondent to too vague and does not state an allegation.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

42. 2022042431
Opened: 10/24/2022
First Licensed: 4/8/2021
Expires: 4/7/2023
Type of License: Affiliate Broker
History: None

Complainant is a seller. Respondent is the listing agent.

Complainant includes a letter to Respondent's principal broker as the substance of its complaint. Complainant states it reached out to Respondent via LinkedIn in March of 2022 and states it took until August for Respondent to reach back out and do comps. Complainant states Respondent insisted on a 6% commission and Complainant states it said 4% or nothing. Complainant states Respondent called on August 19, 2022, begging for more money as if it were to bring a premium deal. Complainant states Respondent had entered \$275,000 as the listing price despite being told to list it at \$299,000 by Complainant. Complainant alleges Respondent was often unresponsive via text and by phone. Complainant states on one particular occasion Complainant called Respondent at 8:00 a.m. but didn't receive a response until 12:00 p.m. Complainant states Respondent said it had taken a pill and just woke up.

Respondent states Complainant often spoke to Respondent with degradation. Respondent states that Complainant agreed to listing the property at \$275,000 and Complainant signed the documents to that effect. Respondent states Complainant later changed its mind and asked that the listing price be changed to \$299,000 which Respondent complied with and changed the listing price. Respondent states Complainant was informed of the condition of the property from the outset. Respondent states Complainant was informed of the condition of the property from the onset of our conversation.

Respondent states it told Complainant the grass was high and needed to be cut, the bushes were overgrown, there was a hole in the soffit, the back deck had carpet nailed to it with moss growing on it, the house could use a pressure washing as moss had started to appear on the siding, and once inside the walls could be freshened up with a coat of paint. Respondent states Complainant quickly informed me it didn't intend to fix anything and preferred to get the house on the market and see how it goes.

Counsel notes that sufficient evidence has not been presented to find that Respondent violated any TREC regulation.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

43. 2022043181
Opened: 10/24/2022
First Licensed: 5/17/2016
Expires: 5/16/2024
Type of License: Affiliate Broker
History: None

Complainant is a home inspector. Respondent is a TREC licensee.

Complainant states Respondent accused Complainant of putting false information in a inspection report. Complainant provided text messages between Complainant and Respondent. Counsel notes that Complainant stated in the text message that damage to the floor could run \$80,000 to \$100,000 to repair. Counsel notes that Respondent told Complainant that it was presenting false information to the buyers. Complainant alleges an ethical violation on the part of Respondent.

Respondent states it was simply trying to help the sellers understand and to understand myself on what was reported. Respondent states Complainant told buyers there was \$85,000 of damage to floor joints. Respondent notes a commercial contractor, and a structural engineer said it was not even close and was more like \$400 to repair.

Counsel notes that TREC does not enforce ethics. Counsel opines that Respondent did not violate any TREC regulation and recommends dismissal of the complaint.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

44. 2022043691
Opened: 10/24/2022
First Licensed: 8/11/2022
Expires: 8/10/2024
Type of License: Affiliate Broker
History: None

Complainant is the listing agent. Respondent is a buyer's agent.

Complainant states it listed a property on March 5, 2022, and the showing instructions have always been to text Complainant for all showing requests. Complainant states that once a request for showing is received, Complainant contacts the seller to ask permission for the showing to occur. Complainant states that on October 6, 2022, seller messaged Complainant and says, "Did you know there was a showing today?" Complainant states the security cameras caught Respondent and the audio caught Respondent talking to the contractor onsite and said "I'm a realtor and have a showing today at this unit 401. May I go in through the side door?" Complainant states it went through all missed calls and text messages for the day and had nothing. On October 17, 2022, Complainant received a message from seller with a phone number who said the agent gave the

contractor its phone number because its parents were the ones it showed the condo to. The phone number belonged to Respondent.

Respondent states it made an honest mistake and sincerely apologizes. Respondent states its parents had asked to see the condo and had booked the showing under its spouse's name but later had to rebook when the spouse had to do a few showing that day. Respondent states they arrived about ten minutes early and walked through the neighborhood and talking to a few neighbors. Respondent states when it got to the door and tried to open the showing time app to view the directions but did not have a good signal. Respondent states the carpenter who was working on a bathroom in the unit walked out and Respondent asked if they could view the house to which the carpenter complied. Respondent states it did not realize there were two listing in the same area and after the fact realized Respondent had talked to another agent and made an appointment to see another unit.

Counsel notes that while it seems clear that Respondent made an honest mistake, Counsel notes that the carpenter, who seemed by all accounts to at least have constructive possession of the condo, granted Respondent permission to enter the premises for purposes of the showing. Counsel opinion is that Respondent did not violate any TREC rule and recommends dismissal of the complaint.

Recommendation: Dismissal.

Commission Decision: The Commission accepted counsel's recommendation.
45. **2022040781**
Opened: 10/24/2022
First Licensed: 8/20/1987
Expires: 1/19/2024
Type of License: Real Estate Firm
History: None

Complainant is a citizen. Respondent is a principal broker.

Complainant states Respondent falsified and altered documents (presumably in support of Respondent's grandson) who is allegedly wanted in Tennessee for class E felony charges.

Respondent states it has no knowledge of what Complainant is referring to. Respondent states it is true it is the principal broker, and a grandchild works in the agency. Respondent states it has not signed, forged, or committed any embezzlement or fraud.

Counsel notes that Complainant has made allegations without any sort of substantive proof whatsoever to substantiate the claims. Counsel recommends the complaint be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

46. 2022042351
Opened: 10/31/2022
First Licensed: 3/19/2020
Expires: 3/18/2024
Type of License: Affiliate Broker
History: None

Complainant is anonymous. Respondent is a TREC licensee.

Complainant states Respondent is in violation of TREC advertising regulations and included a website example depicting the wrong agency for Respondent.

Respondent, through its principal broker, states the screenshot of Respondents website was taken during the changeover of brokerage firms and the website was under the control of a web hosting company and not the Respondent. Respondent states it used a different website during that time and the issue has been resolved to show Respondents current brokerage on all sites.

Counsel's opinion is Respondent did violate Tenn. Comp. R. & Regs. 1260-02-.12(5)(a), "The firm name and the firm telephone number listed on file with the Commission must conspicuously appear on each page of the website.", for a short period of time until Respondent could get the web hosting company to make the changes. Counsel recommends a civil penalty of \$250 be assessed to Respondent.

Recommendation: \$250 Civil Penalty.

Commission Decision: The Commission accepted counsel's recommendation.

47. 2022042391
Opened: 10/31/2022
First Licensed: 8/17/2015
Expires: 8/16/2023
Type of License: Affiliate Broker
History: 2016 Consent Order for failure to exercise reasonable skill and care

Complainant is anonymous. Respondent is a TREC licensee.

Complainant alleges Respondent was corrected and fined previously for not locking a door. Complainant alleges Respondent is not listing its brokerage correctly under TREC guidelines.

Respondent, through its principal broker, states Respondent was corrected once a long time ago for a door that was left unlocked. Respondent states the Facebook page has no phone numbers listed but is one click away from Respondents website that has all the brokerage information included.

Counsel's opinion is that Respondent did not violate any TREC regulation and recommends the complaint be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

48. 2022042441
Opened: 10/31/2022
First Licensed: 8/11/2017
Expires: 8/10/2023
Type of License: Affiliate Broker
History: None

Complainant is anonymous. Respondent is a TREC licensee.

Complainant alleges Respondent is violating the proper brokerage name on the internet.

Respondent, through its principal broker, states Respondent brokerage information is at the top of Respondents web page and in Respondents contact me page. Respondent states Complainant did not take a screenshot of the entire page. Respondent states the Facebook account follows the one click rule.

Counsel's opinion is Respondent did not violate any TREC regulation and recommends the case be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

49. 2022042461
Opened: 10/31/2022
First Licensed: 1/27/2003
Expires: 1/22/2024
Type of License: Affiliate Broker
History: None

Complainant is anonymous. Respondent is a TREC licensee.

Complainant alleges Respondent is displaying the wrong brokerage information on the internet.

Respondent, through its principal broker, states the screenshot of Respondents LinkedIn page was an old picture and one Respondent has not used in over a decade. Respondent states this was not its current and used profile account. Respondent states that upon research and working with LinkedIn, they deleted the old account that Respondent did not have access to.

Counsel recommends a letter of warning be issued Respondent for violation of Tenn. Comp. R. & Regs. 1260-02-.12(6)(b).

Recommendation: Letter of Warning for violation of Tenn. Comp. R. & Regs. 1260-02-.12(6)(b)

Commission Decision: The Commission accepted counsel's recommendation.

50. 2022042481
Opened: 10/31/2022
First Licensed: 2/14/2022
Expires: 2/13/2024
Type of License: Affiliate Broker
History: None

Complainant is anonymous. Respondent is a TREC licensee.

Complainant alleges Respondent has not displayed its proper brokerage information on the internet.

Respondent, through its principal broker, states the screenshot showed a much older account when Respondent was still at the prior brokerage. Respondent states its social media pages follow the one click rule whereby the brokerage information and phone number are available with one click from any page if not on the page already.

Counsel's opinion is Respondent did not violate any TREC regulation and the complaint should be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

51. 2022042511
Opened: 10/31/2022
First Licensed: 11/18/2021
Expires: 11/17/2023
Type of License: Affiliate Broker
History: None

Complainant is anonymous. Respondent is a TREC licensee.

Complainant alleges Respondent did not list its brokerage contact information on internet services to include its website.

Respondent, through its principal broker, states Respondents website did have the company information and phone number at the top of the website page, but Complainant did not take a screenshot of the entire page. Respondent further states that its social media posts have the brokerage information one click away.

Counsel's opinion is that Respondent did not violate any TREC regulation, and the complaint should be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

52. 2022042531
Opened: 10/31/2022
First Licensed: 5/14/2021
Expires: 5/13/2023
Type of License: Affiliate Broker
History: None

Complainant is anonymous. Respondent is a TREC licensee.

Complainant alleges Respondent violated TREC advertising regulations by not displaying Respondents broker information on internet services. Complainant included a Facebook post example.

Respondent states it did have a link to the company information that was one click away from its Facebook post.

Counsel's opinion is that Respondent did not violate TREC advertising regulations as information related to the brokerage was one click away from Respondents Facebook post. Counsel recommends dismissal of the complaint.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

53. 2022042551
Opened: 10/31/2022
First Licensed: 10/25/2016
Expires: 10/24/2024
Type of License: Affiliate Broker
History: None

Complainant is anonymous. Respondent is an affiliate broker.

Complainant states Respondent is identifying as a brokerage and/or broker. Complainant states Respondent is not in compliance with broker name and contact information on the internet accounts.

Respondent states it has been working with its broker to rectify all issues regarding the size, format, and general display of Respondents and the company logo. Respondent states it has deactivated the Instagram account until all advertisement is reviewed and in compliance with applicable rules.

Counsel notes that of all the samples of Respondent's advertising submitted by the anonymous complainant, there was only one that was out of compliance because the Respondent's name was in a larger font than the name of the brokerage. Counsel notes that Respondent took immediate steps to rectify the shortcoming and appears to be taking steps to ensure Respondent's advertising remains in compliance with applicable TREC regulations. Counsel recommends a letter of warning be issued for Respondent's violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b) which states "All advertising shall be under the direct supervision of the principal broker and shall list the firm name and the firm telephone number as listed on file with the Commission. The firm name must appear in letters the same size or larger than those spelling out the name of a licensee or the name of any team, group or similar entity."

Recommendation: Letter of Warning for violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b)

Commission Decision: The Commission accepted counsel's recommendation.

54. 2022042571
Opened: 10/31/2022
First Licensed: 7/10/2020
Expires: 7/9/2024
Type of License: Affiliate Broker
History: None

Complainant is anonymous. Respondent is a TREC licensee.

Complainant alleges Respondent is in violation of TREC advertising regulations and provided numerous copies of social media posts from Respondent.

Respondents statement provided by its principal broker states Respondent's social media posts include the company information and phone number that is one click away.

Counsel's opinion is that Respondent did not violate Tenn. Comp. R. & Regs. 1260-02-.12(6)(b) "With regards to social media advertising by licensees, the firm name and firm telephone number listed on file with the Commission must be no more than one click away from the viewable page." Counsel recommends dismissal of the complaint.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

TIMESHARES:

55. 2022031881
Opened: 8/30/2022
First Licensed: 4/20/1999
Expires: 12/31/2022
Type of License: Time Share Registration
History: None

Complainant allegedly purchased a timeshare. Respondent is a timeshare company.

Complainant states it is expecting Respondent to give a full refund because we are still in a worldwide endemic and Complainant states it is immunocompromised. Complainant states it is being held responsible for a contract that was supposed to have been voided when it left the tour. Complainant states it explicitly explained to representatives of Respondent that it was uncomfortable and had no intention of purchasing a timeshare. Complainant states it was never given a copy of this contract because Respondents representative explained that it would be voided after Complainant explained it did not want to participate.

Respondent states it would have been up to Complainant to inform the staff of any discomfort and to discontinue the meetings if the concerns were not addressed to Complainant's satisfaction. Respondent states it cannot verify any verbal communications Complainant may have had with the sales representative; therefore, Respondent's research will be based on contract documents. Respondent states that per the Vacation Occupancy & Price Lock-in Agreement, the contract is valid and not subject to cancellation.

Counsel takes notice that Complainant has not presented evidence as to the content of any verbal communication that may have occurred between Complainant and Respondent's representative. At this time there is no evidence that Respondent violated any regulation enforceable by TREC.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

56. 2022034841
Opened: 10/3/2022
First Licensed: 4/4/2018
Expires: N/A
Type of License: Time Share Registration (Time Share Exempt)
History: 2016 Consent Order

Complainant purchased a timeshare. Respondent is a timeshare company.

Complainant states it purchased a timeshare from Respondent because the representative stated Complainant could use the points for AirBnb rentals. Complainant states it called to check on how to use the system to book Airbnb rentals and was told the service is not available through the

website. Complainant states it placed two calls to the sales office in Tennessee asking to speak to the salesman or QC person and received no return phone calls. Complainant states that while the Airbnb rentals program is not in the paperwork signed, it was the only reason Complainant purchased the timeshare.

Respondent states Complainant entered into a purchase agreement on January 18, 2022, in Tennessee. Respondent states that at the time Complainant entered into the agreement the option to book Airbnb was available. Respondent states the option to book Airbnb was removed on February 1, 2022. Respondent cites various sections of the contract that Respondent states Complainant signed including a section that authorizes Respondent to make additions, deletions, and substitutions of accommodations, facilities, and component sites.

Counsel notes that Respondent appears to be in compliance with TREC regulations and recommends complaint dismissal.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

57. 2022039471

Opened: 10/3/2022

First Licensed: 8/23/2017

Expires: N/A

Type of License: Time Share Registration (Time Share Exempt)

History: None

Complainant purchased a timeshare. Respondent is a timeshare company.

Complainant states it was told there were no additional fees, it was purchasing a timeshare, and Complainant could cancel at any time. Complainant states it received a flash drive containing 5 files but the flash drive did not have a contract on it, so Complainant laments it had no way of knowing about a five day rescission period. Complainant states it texted one of Respondent's representatives who told it to wait 45 days for everything to start working. Complainant states that 45 days later, it tried again and got the same results. Complainant states it reached out to the Respondent company helpline and the representative wanted to sell more points instead of helping Complainant. Complainant states that December came around and it was charged a maintenance fee which Complainant says it was never told about. Complainant states the company is a scam and the company refuses to release Complainant from the contract.

Counsel notes the complaint has been forwarded to Consumer Affairs. Counsel opines that Respondent has not violated TREC regulations and this complaint should be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

Chair Franks adjourned the meeting at 12:05pm CST.