



**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 met on November 8, 2023, at 8:30 a.m. CDT in room 1-A of 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 Denise Baker read the public disclaimer and called the roll. The following Commission members were present: Chairman Geoff Diaz, Vice-Chairman DJ Farris, Commissioner Joan Smith, Commissioner Steve Guinn, Commissioner Jon Moffett, Commissioner Joe Begley, Commissioner Kathy Tucker, Commissioner Stacie Torbett, and Commissioner Michael Gaughan. Quorum Confirmed. Others present are Associate General Counsel Anna D. Matlock, Associate General Counsel Kimberly Cooper, Associate General Counsel Aerial Carter, Paralegal Carol McGlynn, Education Director Ross White, and TREC staff member Aaron Smith.

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

Executive Director Denise Baker informed the commission that an Informal Appearance from Applicant Randall Price has been rescheduled, and he will appear at the December meeting.

The motion to approve the November 8, 2023, agenda was made by Commissioner Smith and seconded by Commissioner Tucker. The motion passed unanimously.

The October 5, 2023, Commission meeting minutes were submitted for approval.

The motion to approve the October 5, 2023, minutes was made by Vice-Chairman Farris and seconded by Commissioner Gaughan. The motion passed 7-0 with Chairman Diaz, and Commissioner Smith abstaining.

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### **INFORMAL APPEARANCE**

Matthew Tindell appeared before the Commission with his Principal Broker, Patricia Shepherd, to receive approval for his Affiliate Broker license.

The motion to approve Matthew Tindell was made by Commissioner Torbett and seconded by Commissioner Tucker. The motion carried unanimously.

Michelle Pritchett appeared before the Commission with her Principal Broker, Jeffrey Billington, to receive approval for her Affiliate Broker license.

The motion to approve Michelle Pritchett was made by Commissioner Smith and seconded by Vice-Chairman Farris. The motion carried unanimously.

Thomas Cafarella appeared before the Commission with his Principal Broker, Sally Sparks, to receive approval for his Broker license.

The motion to approve Thomas Cafarella was made by Commissioner Begley and seconded by Vice-Chairman Farris. The motion carried unanimously.

Glen Jenkins appeared before the Commission with his Principal Broker, Sue Acee, to receive approval for his Timeshare Salesperson license.

The motion to approve Glen Jenkins was made by Commissioner Torbett and seconded by Commissioner Tucker. The motion carried unanimously.

Jamal Carter appeared before the Commission with his Principal Broker, Charles Yates, to receive approval for his Timeshare Salesperson license.

The motion to approve Jamal Carter was made by Commissioner Gaughan and seconded by Commissioner Begley. The motion carried unanimously.

## **WAIVER REQUEST**

Executive Director Denise Baker presented Jonathan Nolan to the Commission seeking a waiver of fees.

The motion to approve a \$100.00 waiver and completion of six hours of continuing education by December 8, 2023, was made by Commissioner Begley and seconded by Commissioner Gaughan. The motion carried unanimously.

## **EDUCATION REPORT**

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

The motion to approve courses N1-N62 was made by Commissioner Torbett and seconded by Commissioner Tucker. The motion passed unanimously.

## **APPEARANCE**

Alon Schwartz from PSI, Los Angeles, told the Commission that errors were found within their reporting system. These errors did not affect exam results but did affect the number of testers presented. These errors have been corrected, and corrected data has been sent to the Commission. Additionally, in early December 2023, PSI will use a new reporting tool for TREC.

## **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Denise Baker updated the Commission on the topics below.

**TREC Quarterly Newsletter** – The Commission was informed of the release of the October Newsletter. The newsletter will be released quarterly.

**DISTRESSED COUNTIES/KAPLAN** – TREC is currently working on the details of the promotion/advertising of this unique opportunity for high school students to become licensed REALTORS® upon completion of high school. This will be rolled out to the at-risk and distressed counties.

**JOINT GOVERNMENT OPERATIONS COMMITTEE** – Voted to approve distance education courses and timeshare interval rescission laws on October 19, 2023. These rules go into effect on November 23, 2023

**ARELLO** – Executive Director Denise Baker has been appointed to the ARELLO Examination Accreditation Committee. Director Baker’s term is through 2027.

**SENT 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 1-59 except for the following complaints, which were pulled for further discussion: **2023041101, 2023040641, 2023044151, 2023044481, 2023046081, 2020066241, 2023036001, 2023042221, 2023036831, 2023041321, 2023042171, 2023041841, 2023040281, 2023043001, 2023043781, 2023043971.**

The motion was made by Vice-Chairman Farris and seconded by Commissioner Tucker. The motion carried unanimously.

After further discussion by the Commission on complaint 2023041101, Vice-Chair Farris motioned **to accept the Counsel’s recommendation.** Commissioner Torbett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023040641, Commissioner Moffett motioned **to accept the Counsel’s recommendation.** Commissioner Gaughan seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023044151, Commissioner Smith motioned **to accept the Counsel’s recommendation,** and Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023044481, Commissioner Smith motioned **to accept the Counsel’s recommendation of revocation,** and Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023046081 Commissioner Smith motioned **to accept the Counsel’s recommendation,** and Commissioner Begley seconded the motion. The motion was carried unanimously.

After further discussion by the Commission on complaint 2020066241, Commissioner Smith motioned **to accept the counsel's recommendation**. Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023036001, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Commissioner Torbett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023042221, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 20230236831, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Commissioner Tucker seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023041321, Vice-Chair Farris motioned **to accept the Counsel's recommendation**. Commissioner Gaughan seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023042171, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Vice-Chair Farris seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023041841, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Commissioner Tucker seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023040281, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 20230243001, Vice-Chairman Farris motioned **to accept the Counsel's recommendation**, and Commissioner Torbett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023043781, Vice-Chairman Farris motioned **to accept the Counsel's recommendation** and Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023043971, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Commissioner Moffett seconded the motion. The motion carried unanimously.

**Kim Cooper**

**New Complaints:**

1. **2023024151**  
**Opened: 6/26/2023**  
**First Licensed: 8/23/2007**  
**Expires: 8/22/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant and Respondent are both licensees and formerly affiliated with the same brokerage. Complainant seems to be alleging that Respondent has stolen personal items from Complainant and that Respondent also defamed Complainant to existing and potential clients, resulting in financial loss to Complainant.

Respondent denied the allegations and expressed concern about Complainant's recent behavior which Respondent says includes harassment. Respondent stated they are working with their principal broker to hopefully mitigate any issues moving forward and just wants Complainant to leave them alone.

Based on the information provided there is insufficient evidence of any violation of the TREC Rules or the *Broker Act* by Respondent.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

2. **2023034431**  
**Opened: 7/24/2023**  
**First Licensed: 1/24/2012**  
**Expires: 5/12/2024**  
**Type of License: Principal Broker**  
**History: None**

Complainant was a Buyer, Respondents (Principal Broker and Affiliate Broker in related complaint REC # 2023034451) were the listing agents for Seller, a privately held corporation. Complainant was represented by a Buyer's agent. Complainant entered into a purchase and sale agreement for the home listed by Respondent in December 2022. The sales contract was terminated in May 2023 when Complainant alleges Respondents and Seller were unable to deliver clear title to the home due to IRS liens. Complainant alleges that Respondents knew about the liens and lied to Complainant, their Realtor and their attorney about the liens. Complainant alleges misrepresentation and fraud. Complainant provided copies of emails between Complainant's attorney and Respondents verifying their attempts to resolve the issue regarding the liens in order to obtain clear title to the home and purchase title insurance. Respondent's affiliate broker occasionally replied to the requests for information with an email stating they were "trying to reach someone at the IRS" who could confirm Seller's assertions that the liens had been paid. The emails between Complainant's attorney and Respondents' attorney became increasingly more adversarial as the assertions by Respondent that the closing would happen "any day now" went on. Nine (9) closing extensions were made between December and May before the sale was finally terminated, and Complainant alleges that Respondents immediately re-listed the home despite knowing the title issue had not been resolved. Complainant alleges that they spent over \$3000 preparing for the move into the home that they will not get back due to Respondents' actions in misleading Complainant about the probability of closing.

Respondent replied on their behalf and that of their affiliate broker. Respondent stated they did not know about the tax liens until the title search came back. Respondent pointed to the terms of the Purchase and Sale Agreement which clearly states that the Respondent is not responsible for the nonperformance of Seller but asserts that once they learned of the liens, they did provide that information to Seller, who disputed the existence of the liens but could not or would not fully cooperate in providing the necessary documentation to the title company so that title insurance could be obtained. There were also entanglements between the personal finances of the owner of the corporation and finances of the corporation itself that led the title issue being more complicated than anticipated. The extensions to closing were mutually agreed upon, and the amendments for those extensions signed by all parties. Respondent provided emails between the various parties' attorneys that make clear Respondents were aggravated at the delays and were also anxious to clear the matter up as soon as possible but that the problem could only be resolved by Seller. Respondent states there was never any intention to mislead anyone, they worked with their client to the best of their ability to solve the problem, and they

never personally communicated with the Complainant until after the sale was terminated and Complainant emailed Respondent regarding the alleged financial loss as a result of the failed purchase and demanded restitution. Respondent asserts that Complainant was promptly returned their earnest money and they fulfilled their obligations to their client and all parties in the transaction.

Based on the information and documentation provided by all parties, there is insufficient evidence of a violation of TREC Rules or the *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

3. **2023034451**  
**Opened: 7/24/2023**  
**First Licensed: 11/10/2020**  
**Expires: 11/9/2024**  
**Type of License: Affiliate Broker**  
**History: None**

This complainant is related to REC # 2023034431. Respondent is the affiliate broker and the assigned listing agent of the property that was at issue. For the reasons stated above, Counsel recommends dismissal of the complaint.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

4. **2023040021**  
**Opened: 8/28/2023**  
**First Licensed: 4/23/2019**  
**Expires: 4/22/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant alleged that in February 2023 Respondent/licensee "failed to notify me of my rights under Fair Housing laws and proceeded to show me listings that were



in run-down” neighborhoods. Complainant alleges that Respondent discriminated against Complainant based on Complainant’s race.

Respondent denied any wrongdoing. Respondent stated that they were out of the country in February 2023, and while they had communicated with Complainant in the past had not had any contact with Complainant since September 2022. Respondent assisted Complainant in working with a lender and set up a property search for Complainant but was not able to find properties meeting Complainant’s requirements. Respondent provided a copy of the listings that met some of Complainant’s requests that was sent to Complainant to review, but Respondent states they never actually showed Complainant any properties.

Based on the information provided there is insufficient evidence of a violation of Commission Rules or the *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel’s recommendation.**

**5. 2023040161**  
**Opened: 8/28/2023**  
**First Licensed: 10/4/2019**  
**Expires: 10/3/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant was the buyer of a home listed by Respondent for Seller. Complainant alleges that Respondent knew or should have known that the Seller had performed defective and unpermitted structural work on the home that has resulted in costly repairs for Complainant. Complainant also alleges that the septic system for the home is for a two-bedroom home, yet it was advertised and purchased by Complainant as a three-bedroom home. When plumbing and electrical issues began eight months after purchase, Complainant contacted their agent for assistance in holding Seller responsible for alleged fraud. Complainant then contacted Respondent (Seller’s agent) and asked for Seller’s contact information, which Respondent initially declined to provide. Complainant then asked for copies of any and all permits taken out to perform the work done on the home by Seller, which Respondent did not provide. Complainant alleges fraud and lack of due diligence on

the part of Complainant not ensuring that Seller complied with their obligations and the law in the disclosures and sale of the home to Complainant.

Respondent confirmed that they were the agent for Seller, and that any information provided in the listing was provided by Seller. Respondent alleged that Complainant was hostile, and as a result Respondent only minimally engaged with Complainant but did provide the following documents: ALTA/Closing Disclosure, Repair Amendment, Final Walkthrough Inspection, Seller Property Update, and Buyer Final Inspection/Title Document. All documents were signed by both parties. Respondent noted that these documents should have already been provided to Complainant by their own agent. Respondent did not provide any copies of building permits to Complainant because they were not in possession of any permits. Respondent stated they did not disclose information about electrical or plumbing issues with the home because they were not aware of any defects and noted that the Complainant lived in the home for several months before Complainant had any issues. Respondent stated that “(Complainant) had a home inspection done by an inspector of (their) choice and had a VA certified appraisal/inspection. (Complainant and) buyer’s agent...waived the home warranty protection plan in the purchase sale agreement (RF 401). I followed listing protocol, presented the listing as the seller presented it to me (See MLS ###), included Tennessee Realtor forms necessary for this listing ( RF 302 Confirmation of Agency, RF 304 Disclaimer Notice, RF 203 Condition Exemption as Seller had never resided there) and I ensured that my client signed all necessary disclaimers and disclosures to allow me to list this property while including them as document attachments in the MLS.” Respondent also provided a copy of a lawsuit filed against Respondent, their principal broker and Seller by Complainant alleging breach of contract, violation of the Tennessee Residential Property Disclosure Act and Consumer Protection Act, and Fraud among other allegations. The Complainant’s home inspection report was included with Respondent’s documents, and Counsel noted that the Complainant was not present for the inspection; that plumbing issues were found including active leaks and it was recommended that Complainant consult with a plumber; and that electrical issues were found, and it was recommended that Complainant consult with an electrician.

The Complainant filed a rebuttal to the Respondent’s statement. Complainant stated that “I asked...for a copy of any/all permits that (Seller) has/had, because a real estate agent, **in exercise of due diligence**, is required to determine if the property he/she is listing has/had the legally required permit(s).” (emphasis in original)

The Respondent was not the Complainant’s agent and appears to have acted with due care to all parties involved in the transaction. There is insufficient evidence

based on the documentation provided that Respondent knew or should have known about the defects Complainant alleges exist in their home.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

6. **2023040171**  
**Opened: 8/28/2023**  
**First Licensed: 1/1/1991**  
**Expires: 5/4/2025**  
**Type of License: Real Estate Firm**  
**History: None**

This complaint is related to REC # 2023040161 above. The seller's agent works with Respondent. Respondent's principal broker asked that the response provided by their affiliate broker in the related complaint also be submitted as their response to this complaint.

Complainant submitted a rebuttal, alleging that the Respondent did not actually submit a response, since the broker is "not only a separate entity/person, but would require a separate response - as a broker's level of responsibility, duties, involvement in my allegations, etc. are significantly different." Complainant asked that the Commission find that Respondent did not submit a response as required by Tenn. Code Ann. 62-13-313(2).

Counsel recommends that the Commission accept the Respondent's reply as sufficient for the purposes of Tenn. Code Ann. 62-13-313(2) as it has been the practice of the Commission to do so in past similar cases. Counsel also recommends dismissal of the complaint for the reasons previously stated.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

7. **2023040221**  
**Opened: 8/28/2023**  
**First Licensed: 5/28/2021**

**Expires: 5/27/2023 (E&O Suspension as of 1/31/2023)**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant and Respondent are licensees. Complainant alleges that Respondent was released from Complainant's firm in May 2023 but is still promoting themselves as a Realtor and with the firm's related email still present on Complainant's advertising. Complainant provided screenshots of Respondent's social media page wherein Respondent does have "(Name), Realtor" in the heading and goes on to offer real estate "tips".

Respondent replied and incorrectly stated that their license was not expired but it was "suspended for failure to pay E&O insurance. I certainly never meant to do anything illegal, my Facebook posts have been scheduled since I started my business. I wasn't aware but will do whatever is asked of me. I would have appreciated this broker contact me first, prior to a complaint."

Based upon the information provided, Counsel recommends the Respondent be assessed a civil penalty of one thousand (\$1,000) civil penalty for engaging in unlicensed activity in violation of Tenn. Code Ann. §62-13-301.

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

**Commission Decision: The Commission accepted counsel's recommendation.**

8. **2023040991**  
**Opened: 8/28/2023**  
**First Licensed: 6/7/2007**  
**Expires: 7/8/2025**  
**Type of License: Principal Broker**  
**History: 2021 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance**

Complainant is a joint owner of properties managed by Respondent. Complaint alleges that Respondent has not provided tenant information that Complainant has requested, has not forwarded rent payments for the last fifteen months, shut down the management account without notice and has not provided copies of leases to Complainant for "verification and continuity." Complainant alleges that they now have "no money, no contracts, no FED lists and no access to the finances with no

explanations.” Complainant did not provide any additional information or documentation.

Respondent answered the complaint by providing almost two-hundred pages of documentation regarding the last year of court proceedings and management issues that Respondent has tried to address. The Respondent came to be involved in the management of the properties as the result of a court order issued by the court overseeing the estate of the other joint owner of the properties, who died intestate in December 2020. An attorney who is also involved in the management of the estate proceedings is copied on many of the emails (as is Complainant) that Respondent provided, and the properties were entangled in such a way that the joint owners were at times disputing which properties were included in the property management agreement. Emails between the parties were at time contentious but Respondent seemed to be trying to accommodate Complainant’s requests to the best of their ability based on the information provided by the parties and tenants, and included information regarding the financial management software and how to access it. Respondent spent a good deal of the time evicting tenants that had not paid rent in two years and catching up on deferred maintenance. Based on the information and documentation provided it does not appear to Counsel that Respondent has violated the *Broker Act* or Commission rules. Counsel recommends that this matter is better left to the probate court already overseeing the dispute regarding revenues and distribution of the assets of the estate.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel’s recommendation.**

- 9. 2023041221**
  - Opened: 8/28/2023**
  - First Licensed: 11/3/2014**
  - Expires: 8/23/2025**
  - Type of License: Principal Broker**
  - History: None**

This is an anonymous complaint. Complainant alleges that the Respondent is holding themselves out as a principal broker as of August 15, 2023, even though they do not have that licensure. Complainant provided a copy of a Facebook post by Respondent wherein they state the principal broker of their firm has “stepped down” and that Respondent has been appointed principal broker. At the time of the post, Respondent

was in the process of obtaining their principal broker license and that license was issued to Respondent on August 30, 2023.

Respondent stated that the post Complainant provided was on a closed Facebook page and seems to imply that while they were “appointed” on or about August 15<sup>th</sup> they did not become principal broker until after they obtained their principal broker license. The post itself, however, states that the former principal broker has already “left the team” and that all questions should be directed to Respondent. The Firm Update form submitted to the Commission and signed by the former principal broker and Respondent designating Respondent as the Principal Broker is dated August 14, 2023, and was processed by the Commission on August 23, 2023, along with Respondent’s application to upgrade their affiliate broker license. Respondent does appear to be in violation of Tenn. Comp. Rules and Regs. 1260-02-.12(3)(f) by falsely claiming a licensure status the Respondent did not actually hold at the time the statements were made.

**Recommendation: Five Hundred Dollar (\$500.00) civil penalty.**

**Commission Decision: The Commission accepted counsel’s recommendation.**

**10. 2023041421**  
**Opened: 8/28/2023**  
**Unlicensed**  
**History: None**

This is an anonymous complaint. Complainant alleged that Respondent is acting as an unlicensed broker. Complainant provided a copy of an on-line advertisement selling a property with Respondent’s contact information provided. The advertisement contained the following text:

“DISCLAIMER: This is an assignment of contract. A legally binding purchasing contract with memorandum has been signed with the Seller giving this company exclusive rights to purchase the property. This company does not represent the owner. We are NOT brokers and do not represent ourselves as such. DO NOT CONTACT THE OWNER/SELLER without our explicit consent. Any attempts to renegotiate or make contact with the owner will result in legal action.”

Respondent confirmed they had a purchase and sale agreement with the owner of the property named in the claim, and that their contract “allows us allows us to be able to market the rights to our contract on a property as attached and highlighted below. And as of now - assignment of contract is not illegal in the state of Tennessee and sellers are made aware that our company might end up assigning our right to the contract.” The Respondent provided a copy of their purchase and sale agreement and the highlighted language which states:

“BUYER. Buyer is a private investment company that purchases real estate to make a profit and may be purchasing the property for immediate re-sale. They reserve the right to advertise, market or resell the property at any time, including before or after closing and for any price or terms in Buyer’s sole discretion.”

By marketing, soliciting, and negotiating offers on property they do not own, Respondent is in violation of Tenn. Code Ann. §62-13-301 which requires any person, directly or indirectly acting in the capacity of a real-estate broker as defined in Tenn. Code Ann. §62-13-102 to first obtain a license.

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

**Commission Decision: The Commission accepted counsel’s recommendation.**

- 11. 2023037331**
- Opened: 9/5/2023**
- First Licensed: 9/28/2020**
- Expires: 9/27/2024**
- Type of License: Affiliate Broker**
- History: None**

Complainant alleged that Respondent/Seller’s agent “lied” about the total square footage of a home, and that the Complainant made an offer based on that square footage. Once they learned that the home was smaller than listed, Complainant stated they offered to still buy the home but for a lower price. Complainant alleges that the home was almost 600 sq. ft. smaller than advertised and the outbuildings were approximately 400 sq. feet smaller than advertised. Complainant alleges that the Respondent misrepresented the size of the property to get more money which is “stealing”.

Respondent stated that they listed the home with the information provided by Seller and that the square footage matched what had been used in past listings. Respondent also stated that the property was a complicated one with multiple buildings “causing the square footage to be a challenge to calculate.” Once the discrepancy was pointed out, the Seller renegotiated the contract with Complainant and paid for an appraisal of the property. The Complainant moved forward with the now lower price and purchased the property. Respondent pointed out that the Complainant did tour the home in person before making their offer to purchase. Respondent stated they never intended to mislead anyone, but moving forward will do their own independent verifications of square footage and not rely on the Seller’s estimation. Based on the information provided there is insufficient evidence of a violation of Commission Rules or the *Broker Act*, but Counsel recommends a Letter of Warning regarding the requirement that “listing information...be kept current and accurate” per Tenn. Comp. Rules and Regs. 1260-02-.12(5)(c).

**Recommendation: Letter of Warning.**

**Commission Decision: The Commission accepted counsel’s recommendation.**

**12. 2023037991**

**Opened: 9/5/2023**

**First Licensed: 9/18/2007**

**Expires: 9/27/2024**

**Type of License: Real Estate Broker**

**History: None**

Complainant was the renter of a home managed by Respondent. Complainant alleged mismanagement and that Respondent did not return their security deposit within thirty days of move-out as required by the rental agreement. Complainant then followed up with the Commission staff approximately three weeks later and asked to withdraw the complaint as they had received their funds from the owner of the property. The property owner was listed as the holder of the security deposit in the rental agreement signed by the Complainant.

Respondent denied any wrongdoing, and since the matter is essentially a landlord/tenant dispute it is outside the jurisdiction of the Commission.

**Recommendation: Dismiss.**



**Commission Decision: The Commission accepted counsel's recommendation.**

- 13. 2023040591**  
**Opened: 9/5/2023**  
**First Licensed: 10/16/2020**  
**Expires: 10/15/2024**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant was the seller of a home; Respondent was the seller's agent for Complainant. Complainant alleges that Respondent "is a very good salesperson and had me getting ready for listing photos without me being 100% willing to sell." Complainant alleged that Respondent did not look out for Complainant's interests, knew that Complainant was "emotional...and stressed" and took advantage of Complainant's family and financial situation. Complainant alleges that Respondent did not include a contingency in the purchase and sales agreement that would allow Complainant to back out of the sale of their current home if the Complainant was unable to purchase a new home; that Respondent lied about the total of Respondent's commission; and that Respondent did not notify Complainant that an inspector would be in the property while Complainant was working from home. Complainant alleges Respondent's negligence has led to Complainant being threatened with a lawsuit, and that Respondent violated their obligation to act with due care.

Respondent denied the allegations and provided a detailed response including copies of the listing agreement and purchase and sale agreement regarding the sale of Complainant's home. Respondent also provided copies of almost two hundred pages of emails and texts between Respondent and Complainant as they worked to sell Complainant's home and purchase a new home that would meet Complainant's needs for their family. The communication between the parties makes clear that Complainant agreed to the photos and the listing "going live"; agreed to the sale price; agreed to the terms of the listing agreement including commission percentage; and agreed to the contract for the sale of their home. After a contract for the sale of the home at full price was executed, Complainant changed their mind about selling the home. Respondent explained the ramifications of doing so and advised that the contract was legally binding, and that Complainant could be sued. Based on all the information provided, Counsel can find no evidence of a violation of the Rules or *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

14. **2023040241**  
**Opened: 9/25/2023**  
**First Licensed: 5/9/2022**  
**Expires: 5/8/2024**  
**Type of License: Real Estate Firm**  
**History: None**

This complaint is related to REC # 2023040591. The Respondent is the brokerage of Complainant's agent. For the reasons stated above, Counsel recommends dismissal of the complaint.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

15. **2023041101**  
**Opened: 9/5/2023**  
**First Licensed: 3/9/2022**  
**Expires: 3/8/2024**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant was a Buyer, Respondent/licensee was the agent for Seller. Complainant states that they "in good faith" made an all-cash/no contingency offer on Seller's home, but then were unable to close on the scheduled closing date because Complainant's own home did not sell. Complainant states they and their agent tried other ways to finance the purchase or extend the date of the closing, but Seller refused to do so. Complainant states that the Seller would not release the earnest money back to Complainant and that the Broker eventually released the money to the Seller even though Complainant "did not give permission for them to take (my money)...but they released the money to them anyways as I had a no contingencies." Complainant provided a copy of the Purchase and Sale Agreement signed by all parties which does state "No Contingencies".

Respondent denied any wrongdoing and provided copies of the same paperwork that Complainant provided. Sellers had a backup offer on their home and were unwilling to extend the closing date. The contract was clear that the transaction was a no contingency contract and that the earnest money would be forfeited if the Buyer was in default. While Complainant stated their agent was “surprised” that the Sellers would not return the earnest money to Complainant, there is no evidence of a violation of the TREC Rules or *Broker Act*.

**Recommendation: Dismiss.**

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

**16. 2023036951**  
**Opened: 9/11/2023**  
**First Licensed: 6/7/2017**  
**Expires: 6/6/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant was a potential buyer of a property listed by Respondent. Complainant stated they made a full price cash offer on the property with one contingency, and it was refused by the seller. Complainant alleges that Respondent then told them they could put in another offer on the following Monday, and Complainant protested that “it was not in the listing that it could be auctioned.” Complainant alleges false advertising, and that Complainant was “punished for being diligent in trying to secure a property for me and my (spouse) to build a house on.”

Respondent stated that the offer made by Complainant was conveyed to Seller, and that Seller was concerned with some contingencies of Complainant’s offer, specifically the quick turnaround of an answer so soon (approximately 9.5 hours to respond) especially since Seller and Respondent had additional interest in the property. Respondent states that when that was conveyed to Complainant’s agent, Complainant’s agent responded by text (provided by the Respondent) stating “Okay just reject our offer we’re not in the bidding war. Good luck.” Respondent replied by saying it wasn’t a “bidding war” but that Seller needed more time to think about the offer. Complainant’s agent responded by saying “Seems a little unethical. My client wants to report it.” Respondent provided copies of the text exchange as well as a timeline of events, a copy of the “Multiple Offer Disclosure and Notification”

and the final purchase and sale agreement executed by the Seller. Counsel noted that the offer that was accepted by Seller was not the highest offer but was an all-cash offer in the same amount offered by Complainant but with no contingencies.

Respondent was following the wishes of their client, and there is insufficient evidence of any violation of the TREC Rules or the *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**17. 2023038871**

**Opened: 9/11/2023**

**First Licensed: 5/25/2005**

**Expires: 10/30/2025**

**Type of License: Principal Broker**

**History: 2021 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance**

Complainant is a licensee and stated that they formerly worked with Respondent. Complainant alleges that Respondent has been claiming another agent's sales so that Respondent could claim the "million-dollar club". Complainant did not provide any additional information or documentation.

Respondent denied any misleading or fraudulent activity. Respondent confirmed with their MLS Manager that their volume of listings and transactions was properly reported.

Based on the information provided there is insufficient evidence of a violation of Commission Rules or the *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**18. 2023040641**

**Opened: 9/11/2023**

**First Licensed: 12/21/2005**

**Expires: 12/20/2023**

**Type of License: Affiliate Broker**  
**History: None**

Complainant was a homebuyer; Respondent was the listing agent. Complainant states they made an offer on a home based on the information the listing agent provided, including that the square footage of the home was 917 square feet. Complainant alleges that their appraiser found the home to be 760 square feet. Complainant withdrew their offer and states their agent advised that the reason for the withdrawal was the square footage being less than advertised. Complainant then found that the Respondent again listed the home and is misrepresenting the size of the home.

Respondent stated that they listed the home with the information provided by the seller. When the offer was withdrawn Respondent was told by Complainant's agent that it was partly due to the size of the home being smaller than listed. Respondent stated that they were not provided with a copy of the appraisal or the floor plan sketch from the Complainant. Once Complainant was released from the contract and the earnest money was returned the listing went back active on the market. Agents of interested buyers were notified that the Complainant terminated their contract due to the home possibly measuring smaller than listed and concerns about the roof.

Based on the information provided there is insufficient evidence of a violation of Commission Rules or the *Broker Act*.

**Recommendation: Dismiss.**

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

19. **2023041141**  
**Opened: 9/11/2023**  
**First Licensed: 6/3/2009**  
**Expires: 4/29/2025**  
**Type of License: Principal Broker**  
**History: None**

Complainant was an out-of-state buyer; Respondent is the principal broker of the buyer's agent working with Complainant. Complainant alleges that they entered into an exclusive agent agreement without understanding that it applied to the "entire state" and asserts they had already informed Respondent they were also working

with another agent in another part of the state. Complainant found a home outside of Respondent's primary area of practice and made an offer through that other agent. Respondent informed Complainant of their obligations due to the agreement and Complainant alleges that was when they first learned of the terms of the exclusive agent agreement. Complainant alleges they became frustrated after not being able to finalize the purchase of a home and losing their earnest money as a result and requested a mutual release. Complainant alleges that Respondent did not educate Complainant on the buying process and never told Complainant they could not work with another agent. Respondent is refusing to release Complainant from their agreement, and Complainant just wants to be done "with all the ridiculous process...and part ways with all parties."

Respondent stated that they communicated with Complainant after there was a conflict between their affiliate broker and the Complainant. Respondent stated that the Complainant submitted an offer with another realtor the same day they submitted an offer on behalf of the Complainant. Respondent alleges that Complainant "became hateful" when reminded of the buyer's representation agreement, and advised Complainant that the agreement would expire in a few days. Respondent provided a copy of the executed Exclusive Buyer Representation Agreement and the Purchase and Sale Agreement signed by the Complainant and the Confirmation of Agency Status.

While Complainant's frustration over the experience is clear, there is insufficient evidence of a violation of the Commission's Rules or the *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**20. 2023041501**  
**Opened: 9/18/2023**  
**First Licensed: 1/18/2023**  
**Expires: 1/17/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant alleges that Respondent/licensee is advertising without identifying themselves as a licensee. Complainant provided copies of a website wherein Respondent's company offers "CASH FOR HOUSES". The website Counsel

viewed does have Respondent's name and contact information provided along with the fact they are a licensee, and the Respondent's firm affiliation and contact information also appears to be located on the same webpage. Based on the information provided, there is insufficient evidence of a violation of TREC Rules or the *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**21. 2023042211**

**Opened: 9/18/2023**

**First Licensed: 5/16/2002**

**Expires: 2/14/2024**

**Type of License: Affiliate Broker**

**History: 2018 Consent Order for failing to obtain written permission of all parties prior to amending the parties' agreement**

Complainant was a seller, and Respondent is a licensee. Complainant alleged that Respondent/licensee sold Complainant's home without a listing agreement in place and did not sell the home at the price that Complainant agreed to. Complainant also states that Respondent asked if Complainant "had \$5000 lying around" but it was unclear from the complaint when this occurred or the context in which it was asked. Complainant alleged that the Respondent "never gave anything to me to sign". Complainant appears to be alleging fraud and misrepresentation.

Respondent stated they met with Complainant and explained the process of selling their home and discussed possible listing price. Respondent provided a copy of the Right to Sell Listing Agreement signed by the Complainant; the Purchase and Sale Agreement signed by the Complainant (for full listing price); a Repair Amendment signed by the Complainant; and the ALTA Settlement Statement signed by the Complainant. All the documents were signed electronically except the ALTA Statement which was signed in-person by the Complainant. There was an "affordability subsidy" that was part of Complainant's original USDA loan obtained in 1998 that was "recaptured" by the USDA upon the sale of the home by Complainant. Respondent were unaware of this "recapturing" until the settlement statement was produced, and Complainant apparently forgot about it as well until reviewing the settlement statement. Respondent stated that Complainant wanted to terminate the contract at that point, but the buyers refused, and Complainant then

opted to proceed with the sale of the home. Complainant offered a rebuttal, accusing Respondent of “lying”, and said that they had no time to seek counsel regarding the USDA provision and that “they knew that.”

Based on a review of the documentation provided, there is insufficient evidence of a violation of the Commission Rules or the *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel’s recommendation.**

**22. 2023042531**

**Opened: 9/18/2023**

**First Licensed: 6/18/2019**

**Expires: 7/11/2024**

**Type of License: Principal Broker**

**History: None**

Complainant and Respondent are both licensees. Complainant was assisting their parent, whose main income is Social Security benefits, rent a home that was suitable for Parent’s limited mobility. Parent applied with Complainant’s assistance for a property that was managed by Respondent’s company but was unable initially to submit a required copy of Parent’s social security card. A few days later, after confirming that the apartment was still available, Complainant located Parent’s Social Security card and submitted a copy to Respondent. Complainant alleges that Respondent pushed Parent toward “cheaper” apartments, and then told Complainant that the apartment previously available was now rented within just the last few hours. Complainant then left a “one star” review on Respondent’s Google page. Complainant alleges that Respondent then harassed Complainant and retaliated by publicly disparaging Complainant’s knowledge of property management requirements. A copy of the review and comments were provided.

Respondent denied any wrongdoing. Respondent pointed to the Fair Housing Act and stated that they must treat all applicants the same, and applications must include all required documentation before they can be considered. Respondent stated that Parent’s application did not meet the credit requirements, so Complainant was a co-signer to the application. Complainant acknowledged that they did not submit a complete application because of the missing Social Security card. Respondent and their employees screen all applicants on a first-come, first-serve basis. The applicant



who was able to rent the unit Parent applied for submitted a completed application prior to Complainant providing a copy of Parent's Social Security Card. The Respondent provided a time-line of events and copies of emails exchanged between the parties, and included requests by Complainant for Respondent to call them to discuss the process. Complainant left a poor review of Respondent's property management services, so Respondent in response to Complainant's review in relevant part wrote the following: "Even though you are a fellow realtor, we understand that not every real estate agent is familiar with property management and the standards of the profession...we serve applicants on a first-come, first serve basis and we do not give special treatment to anyone."

Based on a review of the documentation provided, there is insufficient evidence of a violation of the Commission Rules or the *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**23. 2023044151**  
**Opened: 9/25/2023**  
**First Licensed: 10/25/2016**  
**Expires: 10/24/2024**  
**Type of License: Affiliate Broker**  
**History: 2023 Letter of Warning**

Complainant is a former employee of Respondent licensee. Complainant alleges that while employed by Respondent, Respondent created fraudulent job letters for family and friends to obtain home loans. Complainant states that they were "made" to sign a non-disclosure agreement and delete all texts, emails and threads in relation to a criminal investigation of the Respondent. Complainant alleges that Respondent is committing fraud and misusing client information.

Respondent denied all allegations. Respondent confirmed that they have previously employed friends and family and stated that the two employees they provided letters for are or were on payroll, with payroll taxes paid and issued W2s. Respondent stated that the "criminal investigation" referenced by Complainant was a case involving the financial abuse of an elderly client of Respondent's and they worked with law enforcement in the investigation against the suspect family member. Respondent provided copies of communications between Respondent and the detective that

confirm Respondent was a witness in the investigation, not the target. Finally, Respondent confirmed that Complainant is a prior employee that was terminated in February 2023. After termination, Respondent learned that Complainant had been allegedly embezzling funds from the personal accounts of Respondent while employed by Respondent and renting a home from Respondent. Complainant was indicted for twenty-nine (29) counts of identity theft and one (1) count of felony theft in August 2023, and filed this complaint the same day they were arraigned on these charges.

Based on the information provided, Counsel recommends that this matter be dismissed.

**Recommendation: Dismiss.**

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

**24. 2023044161**  
**Opened: 9/25/2023**  
**First Licensed: 4/13/2023**  
**Expires: 4/12/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant alleges that Respondent fraudulently obtained their licensure and that they are now “threatening me to sign a quit claim deed” naming Respondent as owner of Complainant’s home. Complainant also alleges that Respondent tried to sell Complainant’s home “without a signed agreement.” Text messages between Complainant and Respondent were provided by Complainant and are obviously contentious but did not provide an explanation as to the relationship between the parties.

Counsel reviewed Respondent’s initial application for licensure and all documentation is in order.

Respondent stated that the Complainant is a family member of Respondent’s soon to be ex-spouse, and that the home in question is the subject of on-going litigation in Respondent’s divorce proceedings. Respondent provided copies of the divorce complaint and text messages between the parties that provide additional context

missing from Complainant's report. Based on the information provided there is insufficient evidence of a violation of TREC Rules or the *Broker Act*.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**25. 2023044481**

**Opened: 9/25/2023**

**First Licensed: 4/13/1976**

**Expires: 10/31/2024**

**Type of License: Principal Broker**

**History: None**

Complainant was a homebuyer; Respondent is a licensee. Complainant states that in September 2021 they entered into an agreement to purchase property contingent upon their ability to allow tenants to lease the property. The Respondent provided a letter allegedly signed by the HOA president approving the agreement to lease the property. The Complainants purchased the property and entered into a "lease to own" agreement with tenants in April 2022. The Respondent prepared the Purchase and Sale agreement noting it was a lease-to-purchase agreement. The Complainants were notified in June 2022 that the document allegedly signed by the HOA president had been signed by Respondent and that the Complainants did not have the HOA's permission to lease the property. Complainants were fined by the HOA and were forced to evict the tenants. Complainants allege that Respondent committed forgery and as a result they suffered financial losses. There is an active criminal investigation regarding the alleged forgery.

Respondent denied acting with "malice" but admitted to signing the letter at the Complainant's insistence. Respondent and Complainant are long-time friends, according to Respondent, and Respondent stated they drafted the letter for the HOA president after speaking with them and being told "I think it will be alright". Respondent then signed the letter "in my own normal handwriting – but only until I could exchange it with (the president's own signature)." The HOA board became aware of the lease in violation of the covenants and took action against the Complainants. The Respondent states that they are "sorry I made the decision I did while trying so hard to please my clients and thinking of them first."

Based on the information and documentation provided by all parties Respondent appears to be in violation of Tenn. Code Ann. § 62-13-312(b)(1) by making a substantial and willful misrepresentation. Counsel recommends revocation of Respondent's license.

**Recommendation: Discuss.**

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

**26. 2023046081**  
**Opened: 9/25/2023**  
**First Licensed: 3/6/2001**  
**Expires: 4/23/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant was a homebuyer; Respondent was Complainant's agent. Complainant states that they notified Respondent prior to closing that they would be unable to move forward with the purchase of a home due to insufficient funds and requested cancellation of the buyer's agreement and a return of the earnest money. As of September 18<sup>th</sup>, Complainant alleges the money had not been returned; the property had been re-listed; and Respondent had not responded to Complainant's request to cancel the Buyer's Agreement. Complainant seems to be alleging that Respondent has failed to timely account for trust fund deposits in violation of Tenn. Code Ann. § 62-13-403(6).

Respondent stated that they entered into an agency agreement with the Complainant in June 2023, and later that month Complainant executed a purchase and sale agreement for a property. The offer to purchase was for all cash with no financing contingency. Two extensions for the closing date were negotiated due to Complainant's difficulties in obtaining the needed funds, and Complainant then notified Respondent that they wanted to terminate the purchase agreement. Respondent states they advised Complainant at that time that per the terms of the purchase agreement that Complainant agreed to, the earnest money would likely not be returned due to their failure to close. Copies of the Representation Agreement, Confirmation of Agency Status, Purchase and Sale Agreement with Financing Contingency Waived, Amendments to Closing Date, and copies of emails between Respondent and Complainant regarding the transaction were provided by Respondent.

Based on the information provided, Counsel recommends that this matter be dismissed.

**Recommendation: Dismiss.**

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

27. 2023046321

**Opened: 9/25/2023**

**First Licensed: 1/28/2010**

**Expires: 6/7/2024**

**Type of License: Principal Broker**

**History: None**

This was an anonymous complaint. Complainant alleged that Respondent did not identify themselves as a licensee on social media when offering their services to a potential buyer. Complainant provided a screenshot of a Facebook comment made by Respondent that does appear to be in violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(a) which states that "No licensee shall advertise to sell, purchase, exchange, rent, or lease property in a manner indicating that the licensee is not engaged in the real estate business." Respondent stated that the comment was "made in a rush" and that they "immediately" realized their mistake and removed the comment. Respondent apologized for the error.

**Recommendation: Five Hundred Dollar (\$500.00) civil penalty.**

**Commission Decision: The Commission accepted counsel's recommendation.**

## CASES TO BE REPRESENTED

**28. 2020066241**  
**Opened: 9/8/2020**  
**Unlicensed**  
**History: None**

The Complainant is a Tennessee resident, and the Respondent is an unlicensed real estate firm operating in the State of Tennessee and providing real estate services.

The Complainant received a postcard in the mail from the Respondent indicating the Respondents were engaged in the buying and selling of homes and were interested in selling the Complainant's home. The Complainant contacted the Respondent and asked if they had a real estate license and the Respondents indicated they operated similar to a For Sale by Owner type of company. On Facebook, the Respondent has listed itself as a Real Estate Investment firm, real estate company and real estate service provider.

The Respondent did not provide a response to the complaint.

**Recommendation: Authorize a contested case proceeding for unlicensed activity and assess a \$1,000 civil penalty for informal settlement by Consent Order.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**New Information: Respondent's attorney spoke with previous TREC counsel and submitted a response on Respondent's behalf at that Counsel's request. Respondent denied acting as an unlicensed broker and stated that they are an investor who buys and then sells those properties. Current counsel noted that the solicitation referenced by Complainant was not provided and the Respondent's current website advertises that they buy distressed properties with a same day offer. There is insufficient evidence to prevail at a contested case hearing that Respondent was acting as an unlicensed broker.**

**New Recommendation: Dismiss.**

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

**29. 2020097861**  
**Opened: 1/14/2021**  
**First Licensed: 8/10/2018**  
**Expires: 08/09/2024**  
**Type of License: Principal Broker**  
**History: None**

Complainant is a Tennessee resident, and the Respondent is a licensed principal broker.

This complaint was first presented to the Commission as a complaint against the Respondent's firm. The complaint alleged that a billboard on a highway states: "[G]et a guaranteed offer on your home today." When the Complainant contacted the firm, the firm's representative indicated they did not purchase homes in the Complainant's area. The Complainant contended that the firm should not be advertising in the area if they do not purchase homes in the area.

The Respondent provided a response to the initial complaint and stated the billboard is part of the firm's "Guaranteed Offer program." The billboard clearly states that the offer is "subject to terms and conditions."

At the December 2020 meeting, the Commission elected to authorize a formal hearing and issue a Consent Order with a \$1000.00 civil penalty for the advertising violation to the firm and to open an administrative complaint against the principal broker for failure to supervise. The Respondent (principal broker) has submitted an answer to this complaint denying that the billboard contains false, misleading, or deceptive advertising. The company website outlines market areas and qualifications for the Guaranteed Offer program. When consumers call the office, they are informed of such qualifications and the terms and conditions outlined. Therefore, no false, misleading, or deceptive advertising is presented to consumers. Respondent states that people are mobile, and the company's billboards are subject to availability of blank billboards in various locations. The company's advertising on the billboard is clearly states that it is "subject to terms and conditions." Respondent states that deception was present nor was any detail of the advertising false or misleading.

The complaint did not allege that billboard or the firm's advertising activities were performed by an affiliate broker or anyone supervised by the Respondent. The Respondent answered the initial complaint on behalf of the firm as the president and principal broker. There is no evidence that the advertising at issue was the activity

of any affiliate or that it resulted from inadequate supervision by Respondent of any affiliate. Therefore, Counsel recommends a penalty for violation of Tenn. Comp. Rules & Reg. 1260-02-.12(3)(f) concerning false, misleading, or deceptive advertising.

**Recommendation: Authorize a penalty in the amount of \$1,000.00 and issuance of a consent order for violation of Tenn. Comp. Rules & Reg. 1260-02-.12(3)(f) concerning false, misleading, or deceptive advertising.**

**Commission Decision: The Commission accepted counsel's recommendation, but also voted to add the Principal Broker Core Class to be completed within 180 days of the execution of the Consent Order and not to count toward continuing education required for licensure.**

**New Information: (Please note that companion case was re-presented in October 2022 and dismissed based on this new information) "The billboard's content is not that different than other similar advertisements. The billboard clearly states that the Respondent's website contains the applicable terms and conditions, therefore, it did not purport to make a "promise" to the consumer. Given the similarity between the subject billboard and others, any discipline could be considered to be arbitrary and capricious. Further, the billboard has now been down for over a year."**

**New Recommendation: Dismiss.**

**New Commission Decision: The Commission accepted counsel's recommendation.**

**Aerial Carter**

**New Complaints:**

**30. 2023034681  
Opened: 8/28/2023  
First Licensed: 10/27/2017  
Expires: 10/26/2023  
Type of License: Principal Broker  
History: None**



Complainant is an out of state resident. Respondent is a Principal Broker and managed Complainant's property in Tennessee. Complainant stated they terminated the contract with Respondent through e-mail. Complainant had the new property management company send several emails informing them that Respondent's contract was terminated and requested all funds in escrow including rent, keys, and deposits be forwarded to new property managers, but Respondent has refused.

Respondent submitted a response and stated that Complainant and new property managers failed to follow the procedures in the contract, and they had sent the emails to an address that is not valid. They stated that they agreed to the termination and denied holding money with the exception of five hundred dollars (\$500) which was used to cover maintenance requests made prior to their termination.

The Commission does not have authority over a "resident manager for a broker or an owner, or employee of a broker, who manages an apartment building, duplex or residential complex where the person's duties are limited to supervision, exhibition of residential units, leasing or collection of security deposits and rentals from the property."

Based off the information provided, Counsel recommends that this matter be dismissed because this falls into one of the enumerated exemptions under T.C.A. § 62-13-304. This matter should be handled in civil court.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**31. 2023036001**  
**Opened: 8/28/2023**  
**First Licensed: 1/7/2021**  
**Expires: 1/6/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a real estate professional. Respondent is an affiliate broker. Complainant alleges Respondent was advertising as a team without following the advertising guidelines. The named team is affiliated with the Respondent, but a user cannot connect to the firm and team when they attempted to click on the link located

on the Respondent's website. The complaint included a link to the Respondent's website.

Respondent stated that they incorrectly selected the team's name and have since changed the name, marketing materials, forms, and websites to a different name.

Respondent's website has been updated so Counsel was unable to determine the extent of the advertising violation. However, based off the response received, there was an advertising violation. The Respondent had a name for a team that was never associated with their firm, in violation of Tenn. Comp. R. & Regs. 1260-02-.41.

Based upon all these facts, Counsel recommends this Respondent be assessed a two hundred dollar (\$200) civil penalty.

**Recommendation: Two Hundred Dollar (\$200.00) civil penalty.**

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

**32. 2023036621**  
**Opened: 8/28/2023**  
**First Licensed: 12/9/2016**  
**Expires: 12/8/2024**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident and homeowner. Respondent is an affiliate broker. Respondent assisted Complainant in a real estate transaction. Complainant alleges Respondent recommended a contractor to complete the flooring in their house. Complainant believes that Respondent should have disclosed the condition of the deck because it was completely rotted.

Respondent stated that they do not have a close relationship with the contractor and was not involved in the communication or vetting process to complete the work. Additionally, the work was completed after closing and after speaking with their Principal Broker, believes their duty ended at that time.

Based on the information provided, the complaint appears to be against the contractor. Respondent would have a duty to disclose their relationship to the contractor if they received a referral fee or other compensation. However, in this

matter, it does not appear that Respondent had a close relationship with the contractor or benefited from recommending the contractor to the Complainant.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**33. 2023036901**  
**Opened: 8/28/2023**  
**First Licensed: 4/14/2015**  
**Expires: 6/13/2024**  
**Type of License: Principal Broker**  
**History: None**

Complainant is a Tennessee resident and prospective buyer. Respondent is Principal Broker. Respondent represented the Seller in a real estate transaction. Complainant alleges Respondent improperly rejected their offer because of a discrepancy with financial approval. Complainant stated that they received a credit letter when they applied for financing stating that they were approved for the financing, but they were told that the offer was denied because the contract was a contingency for purchase.

Respondent stated they received notification that the Complainant was denied, and the contract was contingent on the approval.

Based on the information provided, Respondent provided a valid reason for denying the offer on behalf of their client.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**34. 2023037231**  
**Opened: 8/28/2023**  
**First Licensed: 5/10/2022**

**Expires: 5/9/2024**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is an employee at a title company. Respondent is an Affiliate Broker. Respondent represented the buyer in a real estate transaction. Complainant alleges that Respondent failed to have their client deposit money to the title company.

Respondent stated that they communicated with the buyer and the title company throughout the entire transaction and denies the allegations in the complaint. Respondent stated that they contacted the buyer and informed them that the earnest money needed to be deposited. They sent instructions on how to deposit the fund and followed up with the buyer to confirm the transfer had been made. Respondent included screenshots of text messages of their communications.

Based upon all these facts, there is no indication that Respondent instructed the buyer to withhold the money to the title company. If Complainant believes there was a breach of contract, this matter would be best handled in civil court. Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**35. 2023038671**  
**Opened: 8/28/2023**  
**First Licensed: 1/9/2014**  
**Expires: 1/8/2024**  
**Type of License: Affiliate Broker**  
**History: 2010 Agreed Order for failure to maintain E&O insurance**

Complainant is Tennessee resident and seller in a real estate transaction. Respondent is an Affiliate Broker and acted as the Complainant's agent. Complainant alleges Respondent misrepresented the sales agreement when they did not advise them that the earnest money would be returned to the prospective buyer. Complainant stated that they entered into a contingency agreement with the buyer that they would keep the \$10,000 earnest money deposit (deposit) and an additional \$1,000 per week if they did not close by the agreed date. Complainant stated that the buyer did not attempt to sell their property and backed out of the agreement and took the \$10,000

deposit. Complainant believes they are entitled to that money. Complainant included a screenshot of a text message. Complainant also alleges that Respondent extorted them by charging a 1% commission fee for terminating the agreement.

Respondent denies the allegations made by the Complainant. Respondent stated that Complainant was talking to a cash buyer (Buyer 2) in addition to the prospective buyer (Buyer 1). Respondent stated that the contingency was disclosed and outlined in the contract. They stated that there was never a discussion about the deposit being nonrefundable. Respondent did admit that there was a text message that stated the earnest money would belong to the Complainant but both parties knew it was a mistake. For the commission, Respondent stated that Complainant signed an agreement where it was agreed that they would be paid a 1% commission if it was terminated. Respondent included additional screenshots of the text messages between the parties that showed Complainant was aware of the agreement. Additionally, the Respondent noted that the buyer was not the one who backed out of the transaction, so Complainant was not entitled to the deposit.

Counsel reviewed the documents provided. Based on the information provided, Complainant backed out of the transaction with Buyer 1 when they discovered another offer with Buyer 2. Complainant was not entitled to the deposit and Respondent was able to request the 1% commission to terminate the exclusive right to list the property.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**36. 2023042201**  
**Opened: 9/5/2023**  
**First Licensed: 8/6/2020**  
**Expires: 8/5/2024**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant Tennessee resident and was the prospective seller in a real estate transaction. Respondent is an Affiliate Broker and represented the prospective buyer. Complainant alleges Respondent improperly terminated the real estate transaction

because of an inability to negotiate repairs. Complainant stated that this statement was false. Complainant further alleges that the Respondent failed to notify them that a home inspector would be present in the home.

Respondent's Principal Broker submitted a response on their behalf. They stated that the buyer put in special stipulations of structural, electrical, and mechanical items that were identified in the home inspection report. The buyer had significant concerns and decided not to negotiate further due to the special stipulation for the electrical items found. For the home inspector, they had no knowledge of what happened because the home inspector did not request an appointment to retrieve the equipment from the home.

Counsel reviewed all documents submitted. The Buyer had the right to terminate the agreement due to the special stipulations in the purchase agreement. Additionally, it is not clear that Respondent had knowledge that the home inspector was entering the home and could not notify Complainant if they had no knowledge.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**37. 2023042221**  
**Opened: 9/5/2023**  
**First Licensed: 3/23/2015**  
**Expires: 3/22/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident and prospective buyer in a real estate transaction. Respondent is an Affiliate Broker and represented the prospective seller. Complainant alleges Respondent refused to sign a mutual release agreement which would return their earnest money. Complainant stated they received a request for repairs which included a termite issue and roof issue. Complainant decided to walk away from the transaction because they would not repair the roof. When Complainant asked for the mutual release, Respondent refused because the seller has agreed to repair the roof.

Respondent stated the request for repairs had thirteen items by Complainant's agent. Respondent stated that only two items would not be completed, the roof would not be repaired, and the seller would not remove the wood and debris in the crawl space. The Complainant's agent submitted another request for repairs where they inserted that the seller would agree to have the roof evaluated and make repairs. Respondent talked to Complainant's agent to discuss the insertion as it was not agreed to. Respondent stated they only refused to sign the mutual release because the information was not correct. Respondent stated that they have no issue releasing the earnest money but will not sign a document with false information. Respondent attached the documentation for the repairs their client was willing to make.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

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

**38. 2023042391**  
**Opened: 9/5/2023**  
**First Licensed: 11/5/2019**  
**Expires: 11/4/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is Tennessee resident and homeowner. Respondent is an Affiliate Broker and represent the seller in a real estate transaction. Complainant stated the seller was responsible for taking care of pests, bed bugs, and termites prior to closing and failed to do so. This resulted in the Complainant moving into a home with a pest infestation and their family now has bed bugs, breaching the contract.

Respondent stated that the home inspection mentioned the presence of pests such as cock roaches, powder post beetles and termites. The parties agreed to a \$10,000 reduction to accommodate for the repairs. Respondent stated that a pest control company came out to the property and sprayed for the known pests. However, the Complainant did not mention that bed bugs were present until after closing. Respondent stated that the seller fulfilled their obligations by getting the pest control and providing receipts at closing. Additionally, Complainant did a final walkthrough

and waived a final inspection. Respondent included documents such as the purchase agreement.

Based on the information provided, Complainant had ten (10) days for bug inspection and two (2) days after closing to do a final walkthrough. Respondent cannot disclose information they don't have. In this case, it's reasonable that Respondent would not be aware that pests still existed on the property after pest control did their treatment.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**39. 2023036831**  
**Opened: 9/5/2023**  
**First Licensed: 7/27/2021**  
**Expires: 7/26/2025**  
**Type of License: Real Estate Firm**  
**History: None**

Cases 2023036831 (#39) 2023038891(#41), 2023036841 (#44) and 2023038711 (#49) are related allegations. Cases 2023036831 (#39) and 2023038891(#41) contain identical allegations. Additionally, 2023036841 (#44) and 2023038711 (#49) contain identical allegations.

Complainant is a real estate professional. Respondent is Real Estate Firm. Complainant alleges Respondent has the following (1) Respondent has an expired license, (2) Respondent's primary address as their home address, (3) Respondent has no signage at either the home or primary location, (4) Respondent has active listings that is not associated with a brokerage or license (5) Respondent has not provided the proper disclosures and owns several businesses without the proper licenses. Complainant requested an audit into the business dealings escrow accounts, contracts, and listings concerning Respondent, as a realtor and a brokerage company

Respondent's attorney (Attorney) responded on their behalf. Attorney stated that Respondent does not provide any real estate service or maintain an office in their home. They stated that the firm's license has been renewed and are active. Attorney



stated that Respondent believed they were in the exemption to the sign rule due to the remote location of the firm. Additionally, Respondent only lists and sells properties located in the development they own. Respondent has since added a sign to the firm.

Counsel finds the following. Respondent's firm license was expired for three months. This was confirmed by the response submitted by Respondent's attorney who stated that Respondent was unaware that the license expired because it was not connected to their account on CORE. It is unknown how many transactions occurred during that time but there was a violation for unlicensed activity in violation of T.C.A. § 62-13-301.

Counsel reviewed the CORE website and found the primary address for the firm is the same for the firm. It does not appear that the home address has been used for business at the current time.

Based on the response submitted regarding no signage at either the home or primary location, Counsel finds that none is required at the home address. However, a sign is required to be at the primary firm location and the requirement has not been waived under T.C.A. § 62-13-309. Counsel does not find that Respondent was exempt from posting a sign at the location. The response acknowledged that the Respondent did not have a sign at this location. Therefore, a violation did occur.

Complainant alleged that Respondent had active listings that were not associated with a brokerage or license. Complainant did not include the listings, so Counsel was unable to determine if a violation occurred. Outside of the three (3) months of unlicensed activity, the firm's license has been active.

Complainant also stated that Respondent did not provide the proper disclosures and owns several businesses without the proper licenses. Complainant did not provide additional information regarding the disclosures. Additionally, the Commission does not have authority of Respondent's other businesses.

Based on the information provided, Respondent is in violation of T.C.A. § 62-13-301 for engaging in unlicensed activity, T.C.A. § 62-13-309 for failing to have signs posted at the firm's location.

Based upon all these facts, Counsel recommends the Respondent be assessed a civil penalty for One Thousand Fifty Dollars (\$1,050). This would consist of One Thousand Dollars (\$1,000) for violation of T.C.A. § 62-13-301 by engaging in

unlicensed activity and Fifty Dollars (\$50) for violation of T.C.A. §6 2-13-309 for failing to have signs posted at the firm's location.

**Recommendation: One Thousand Fifty Dollars (\$1,050.00) civil penalty.**

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

**40. 2023041691**  
**Opened: 9/5/2023**  
**First Licensed: 8/14/1996**  
**Expires: 3/6/2025**  
**Type of License: Real Estate Firm**  
**History: None**

Complainant is a Tennessee resident. Respondent is a Real Estate Firm. Complainant alleges that a real estate or firm refused to stop contacting them after they asked them to stop. Complainant did provide a specific name.

Respondent stated that they spoke to the named agent and they denied contacting the Complainant. Respondent stated the firm has not contacted Complainant either. Respondent believes Complainant is possibly on a mailing list and stated that they would be happy to remove Complainant from any list they may have but would need additional information.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**41. 2023036841**  
**Opened: 9/5/2023**  
**First Licensed: 5/17/2021**  
**Expires: 8/21/2025**  
**Type of License: Vacation Lodging Service Firm**  
**History: None**

Cases 2023036831 (#39) 2023038891(#41), 2023036841 (#44) and 2023038711 (#49) are related allegations. Cases 2023036831 (#39) and 2023038891(#41) contain identical allegations. Additionally, 2023036841 (#44) and 2023038711 (#49) contain identical allegations.

Complainant is a real estate professional. Respondent is Real Estate Firm. Complainant alleges Respondent has the following (1) Respondent has an expired license, (2) Respondent's primary address as their home address, (3) Respondent has no signage at either the home or primary location, (4) Respondent has active listings that is not associated with a brokerage or license (5) Respondent has not provided the proper disclosures and owns several businesses without the proper licenses. Complainant requested an audit into the business dealings escrow accounts, contracts, and listings concerning Respondent, as a realtor and a brokerage company

Respondent's attorney (Attorney) responded on their behalf. Attorney stated that Respondent does not provide any real estate service or maintain an office in their home. They stated that the firm's license has been renewed and are active. Attorney stated that Respondent believed they were in the exemption to the sign rule due to the remote location of the firm. Additionally, Respondent only lists and sells properties located in the development they own. Respondent has since added a sign to the firm.

Since this matter has been addressed in a related case number, Counsel recommends that this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**42. 2023041321**

**Opened: 9/11/2023**

**First Licensed: 6/11/2009**

**Expires: 3/15/2022 (Expired)**

**Type of License: Principal Broker**

**History: 2018 Consent Order for failure to exercise reasonable skill and care in providing services to all parties to the transaction**

Complainant is a real estate professional. Respondent has an expired license as a Principal Broker. Complainant alleges Respondent has been operating as a realtor without an active license and has received over \$130,000 in commissions with more deals on the table.

Respondent stated the allegations were correct. Respondent stated that they had a family emergency and personal health issues. Respondent stated they have only worked with one builder and that relationship has been terminated.

Based on the information provided, Respondent is in violation for unlicensed activity.

Based upon all these facts, Counsel recommends this Respondent be assessed a civil penalty of One Thousand Dollars (\$1,000) for violation of T.C.A. § 62-13-301.

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

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

**43. 2023042171**  
**Opened: 9/11/2023**  
**First Licensed: 4/3/2019**  
**Expires: 4/2/2025**  
**Type of License: Affiliate Broker**  
**History: 2022 Letter of Warning**

Complainant remodels homes. Respondent is an Affiliate Broker. Complainant alleges Respondent contacted them to remodel their home, but they didn't pay after the work was completed. Complainant stated that Respondent filed a letter of completion and engaged in deception.

Respondent stated that they do not own the property, they were just the listing agent. Respondent stated that they did help manage the project since the homeowner was out of town during the renovations. However, Respondent denied being involved in the payments received or rendered but believes the issue stems from Complainant failing to show receipts to the homeowner.

Complainant submitted an additional response and stated that Respondent and homeowner were in business together and Respondent should have known that money was owed to the Complainant.

No information was provided that shows Respondent was responsible to paying Complainant nor involved in their dealings. This matter is over a breach of contract and should be handled in civil court. Based on the information provided, the Commission does not have authority over this matter. Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

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

**44. 2023038891**  
**Opened: 9/11/2023**  
**First Licensed: 7/27/2021**  
**Expires: 7/26/2025**  
**Type of License: Real Estate Firm**  
**History: None**

Cases 2023036831 (#39) 2023038891(#41), 2023036841 (#44) and 2023038711 (#49) are related allegations. Cases 2023036831 (#39) and 2023038891(#41) contain identical allegations. Additionally, 2023036841 (#44) and 2023038711 (#49) contain identical allegations.

Complainant is a real estate professional. Respondent is Real Estate Firm. Complainant alleges Respondent has the following (1) Respondent has an expired license, (2) Respondent's primary address as their home address, (3) Respondent has no signage at either the home or primary location, (4) Respondent has active listings that is not associated with a brokerage or license (5) Respondent has not provided the proper disclosures and owns several businesses without the proper licenses. Complainant requested an audit into the business dealings escrow accounts, contracts, and listings concerning Respondent, as a realtor and a brokerage company

Respondent's attorney (Attorney) responded on their behalf. Attorney stated that Respondent does not provide any real estate service or maintain an office in their home. They stated that the firm's license has been renewed and are active. Attorney stated that Respondent believed they were in the exemption to the sign rule due to

the remote location of the firm. Additionally, Respondent only lists and sells properties located in the development they own. Respondent has since added a sign to the firm.

Since this matter has been addressed in a related case number, Counsel recommends that this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**45. 2023042891**  
**Opened: 9/11/2023**  
**First Licensed: 7/28/2008**  
**Expires: 7/27/2024**  
**Type of License: Real Estate Firm**  
**History: None**

Case 2023042891 (#45) and 2023043561 (#46) are related and contain the same allegations.

Complainant is a Tennessee resident and homeowner. Respondent is a Real Estate Firm. Complainant alleges that they noticed an out of state vehicle at the base of their driveway who was flying a drone over (Individual). The Complainant told the Individual that they were trespassing and told them that Respondent gave them the access code. Complainant believes that Respondent engaged in unethical behavior by giving the Individual the access code.

Respondent stated their firm did list the property. However, the agent did not provide the access code, it was the president of the Homeowner's Association (HOA). The Individual was the buyer of the vacant lot and threatened to shoot down the drone if they didn't leave. Respondent attached a screenshot of the conversation showing that the code was obtained from the HOA president.

Based on the information provided, Respondent did not violate any rules, regulations, or statutes. The individual was legally permitted to be there, and the code was provided by person not associated with the firm.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**46. 2023043561**  
**Opened: 9/18/2023**  
**First Licensed: 1/5/2023**  
**Expires: 1/4/2025**  
**Type of License: Affiliate Broker**  
**History: None**

Case 2023042891 (#45) and 2023043561 (#46) are related and contain the same allegations.

Complainant is a Tennessee resident and homeowner. Respondent is a Real Estate Firm. Complainant alleges that they noticed an out of state vehicle at the base of their driveway who was flying a drone over (Individual). The Complainant told the Individual that they were trespassing and told them that Respondent gave them the access code. Complainant believes that Respondent engaged in unethical behavior by giving the Individual the access code.

Respondent stated their firm did list the property. However, the agent did not provide the access code, it was the president of the Homeowner's Association (HOA). The Individual was the buyer of the vacant lot and threatened to shoot down the drone if they didn't leave. Respondent attached a screenshot of the conversation showing that the code was obtained from the HOA president.

Based on the information provided, Respondent did not violate any rules, regulations, or statutes. The individual was legally permitted to be there, and the code was provided by person not associated with the firm.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**47. 2023043981**  
**Opened: 9/18/2023**  
**First Licensed: 7/20/2012**  
**Expires: 7/19/2024**  
**Type of License: Real Estate Firm**  
**History: None**

Complainant is Tennessee resident and buyer in a real estate transaction. Respondent is Real Estate Firm, and they represented the seller in the real estate transaction. Complainant alleges Respondent failed to inform Complainant of an easement on the property. Complainant stated that the seller was building a pole barn that encroached on the driveway, preventing emergency vehicles access to the property. Complainant found that the pole barn was constructed during the final walkthrough of the property.

Respondent stated that they were unaware of the pole barn, nor did they observe the pole barn being on the property until they received pictures. Respondent does not believe the pole barn is encroaching on the property and emergency vehicles came to the property and they were able to access Complainant's property.

Based on the information provided, Complainant could have terminated the contract after discovering the pole barn during the final walkthrough. Additionally, no documents were submitted to show Respondent knew that the pole barn was being built.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**48. 2023041841**  
**Opened: 9/18/2023**  
**Unlicensed**  
**History: None**

Complainant is a Tennessee resident. Respondent is unlicensed. Complainant submitted the complaint to determine what their legal options were. Complainant



stated that Respondent wanted to charge an additional finance charge to pay off their mortgage. Complainant stated that Respondent did not provide insurance details.

Respondent stated that they talked to Complainant and agreed was told that they did not want to pursue this any longer. Complainant did submit a request to rescind the complaint. Complainant was told that the matter couldn't not be retracted.

Counsel was unable to determine the role of the Respondent in this matter, but the main concern was over a finance charge and Complainant's desire to break the contract. Based on the information provided, the Commission would not have jurisdiction over either matter.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

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

**49. 2023038711**  
**Opened: 9/18/2023**  
**First Licensed: 5/17/2021**  
**Expires: 8/21/2025**  
**Type of License: Vacation Lodging Service Firm**  
**History: None**

Cases 2023036831 (#39) 2023038891(#41), 2023036841 (#44) and 2023038711 (#49) are related allegations. Cases 2023036831 (#39) and 2023038891(#41) contain identical allegations. Additionally, 2023036841 (#44) and 2023038711 (#49) contain identical allegations.

Complainant is a real estate professional. Respondent is Real Estate Firm. Complainant alleges Respondent has the following (1) Respondent has an expired license, (2) Respondent's primary address as their home address, (3) Respondent has no signage at either the home or primary location, (4) Respondent has active listings that is not associated with a brokerage or license (5) Respondent has not provided the proper disclosures and owns several businesses without the proper licenses. Complainant requested an audit into the business dealings escrow accounts, contracts, and listings concerning Respondent, as a realtor and a brokerage company

Respondent's attorney (Attorney) responded on their behalf. Attorney stated that Respondent does not provide any real estate service or maintain an office in their home. They stated that the firm's license has been renewed and are active. Attorney stated that Respondent believed they were in the exemption to the sign rule due to the remote location of the firm. Additionally, Respondent only lists and sells properties located in the development they own. Respondent has since added a sign to the firm.

Since this matter has been addressed in a related case number, Counsel recommends that this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**50. 2023040281  
Unlicensed  
History: None**

Complainant is an owner of rental properties. Respondent is unlicensed. Complainant alleges Respondent was hired to manage their vacation properties. Complainant switched companies because Respondent was unresponsive. Respondent manages the property remotely from out of state. Complainant stated that Respondent did not pay any rent to them.

Respondent did not submit a response. The notice was sent via certified mail and Respondent did sign, showing receipt of the complaint.

Tenn. Code Ann. § 62-13-104(b)(2) states that "each vacation lodging service shall be required to have a vacation lodging service firm license but shall not be required to have a licensed real estate broker supervising the business." Here, there is no license.

Based upon all these facts, Counsel recommends this Respondent be assessed a civil penalty of One Thousand Dollars (\$1,000) for unlicensed activity in violation of T.C.A. § 62-13-301.

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

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

**51. 2023042321**  
**Opened: 9/25/2023**  
**First Licensed: 4/2/2001**  
**Expires: 1/16/2024**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is Tennessee resident and buyer in a real estate transaction. Respondent is an Affiliate Broker and acted as the seller's agent. Complainant alleges Respondent refused to provide them the keys until the funds were verified at closing although they submitted the funds.

Respondent stated the parties were scheduled to close. Respondent stated that they spoke with Complainant's agent and informed them that they would not release the keys until the loan was fully funded. Once the funds were received the next day, Respondent released the keys.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**52. 2023043001**  
**Opened: 9/25/2023**  
**First Licensed: 11/28/2018**  
**Expires: 11/27/2024**  
**Type of License: Affiliate Broker**  
**History: 2022 Letter of Warning**

Complainant is a Tennessee resident and buyer in a real estate transaction. Respondent is an Affiliate Broker. Complainant alleges Respondent was not responsive to them and was not present at closing. Complainant stated that neither the title company, Respondent, or lawyer were able to answer questions they had. Complainant did not state the questions they had or submit any documents.

Respondent's Principal Broker (Broker) submitted a response on their behalf. Broker stated that the Respondent it was roughly ten (10) days between first contact and Respondent sending Complainant market alerts. During the real estate transaction, Respondent and Complainant communicated via phone and text and they discussed topics such as prequalification and making offers. Broker stated that Respondent does normally attend closings but was unable to be there, but they designated a power of attorney to be with Complainant.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

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

**53. 2023043781**

**Opened: 9/25/2023**

**First Licensed: 8/10/1987**

**Expires: 2/15/2025**

**Type of License: Principal Broker**

**History: 2016 Consent Order for failure to supervise; 2017 Consent Order for failure to supervise; 2017 Consent Order for failure to supervise; 2018 Letter of Warning; 2021 CO for failure to supervise an affiliate due to lapse in affiliate's E&O insurance; 2023 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance**

Complainant is a real estate professional. Respondent is a Principal Broker. Complainant alleges Respondent is in violation of the following (1) having an affiliate whose E&O insurance lapsed, (2) Respondent is not signing their TREC 1 forms personally, and (3) Respondent intentionally delays the transfer of agents by waiting days to sign.

Respondent did not address the affiliate with lapsed E&O insurance. Respondent stated that they deny any allegations that they do not personally sign their documents and denied delaying transfers or releases. Respondent attached documents with the Complainant for the release and transfer.

Based on the information provided, Counsel confirmed that Respondent had an affiliate whose E&O insurance lapse. There is currently an open case against the

Respondent and the affiliate has already paid the penalty. Regarding the allegation that the Respondent did not personally sign their TREC 1 forms, there has been no evidence of that. Lastly, regarding the delay of transfer, based off the documents submitted, it took roughly four days for the Respondent to sign the transfer for the Complainant. Counsel does not find it to be a significant delay. Additionally, Complainant would have to ability to do a release via affidavit if they believed the delay was too long.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

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

**54. 2023043911**  
**Opened: 9/25/2023**  
**First Licensed: 10/21/2016**  
**Expires: 12/5/2023**  
**Type of License: Principal Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a Principal Broker. Complainant alleges Respondent is advertising as a property management company, but they don't have a real estate license.

Respondent stated they are the property management division of an affiliated firm. The affiliation can be found at the footer of each page on their website.

Counsel confirmed that Respondent has been licensed with no lapse in licensing. Counsel also reviewed Respondent's website, showing the affiliation on each page.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**55. 2023043971**

**Opened: 9/25/2023**  
**First Licensed: 12/4/2020**  
**Expires: 12/3/2024**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident and prospective buyer in a real estate transaction. Respondent is an Affiliate Broker. Complainant alleges Respondent engaged in misrepresentation and attempted fraud. Specifically, Respondent had Complainant enter a contract although they had diminished capacity. Complainant also claimed that Respondent forged documents that falsely stated that Complainant's financial situation. Complainant stated that this matter has been filed with the Attorney General's Office. Complainant did not submit any documents to support either allegation.

Respondent denied allegations in the complaint. Respondent stated that Complainant never advised them about any medical conditions outside of Crohn's disease and stated that Complainant stated they had a migraine after the final deadline for earnest money. Respondent stated that the seller sued Complainant for breach of contract and included the pleadings.

Based on the information provided, the parties entered a contract to purchase property. Complainant was required to send earnest money but did not. The seller sued for breach of contract and was successful in a default judgement. The pleadings contained information related to the allegations. For the forged financial documents, the seller asked the lender for confirmation of Complainant's funds. The lender denied the Complainant having any accounts with them and it was believed that Complainant forged the financial documents.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

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

**56. 2023044061**  
**Opened: 9/25/2023**  
**First Licensed: 1/14/1987**  
**Expires: 9/3/2025**

**Type of License: Affiliate Broker**

**History: 2010 CO for failure to maintain E&O insurance**

Complainant is a Tennessee resident and prospective home buyer. Respondent is an Affiliate Broker and represented Complainant as buyer's agent. Complainant alleges Respondent improperly advised them that their earnest money would be refundable. Complainant stated that they relied solely on the Respondent, and they did not uphold their duty. Complainant stated that Respondent knew that the transaction was dependent on their ability to sell their property first. Complainant stated they did not review or read the agreement and signed when Respondent told them to but found out that they lost their earnest money after they were unable to secure funding for the purchase.

Respondent stated Complainant told them that the property was already sold and did not mention that the sale was dependent on selling their previous home so there was no contingency included. Respondent discovered that Complainant was attempting to sell their previous property roughly two weeks before closing. At that time, Respondent advised Complainant that if they don't secure funding that they could lose their earnest money. Respondent tried to assist Complainant in selling their previous property and suggested securing a loan until the proceeds from the sale came in. After the deadline passed, the earnest money was released to the seller. Complainant and Respondent started looking for other properties. Respondent submitted documents and screenshots of their communication with Complainant.

Based on the information provided, Complainant had a duty to review the documents they signed. On the line right above their signature, there was a section stating the earnest money would be forfeited if funding was not secured. There are multiple texts from Respondent that advise Complainant that securing funding is important and the consequences. Additionally, the text indicate that Complainant was in contact with Respondent to look at new properties.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**TIMESHARES:**

**57. 2023036421**  
**Opened: 8/21/2023**  
**First Licensed: 8/23/2017**  
**Expires: N/A**  
**Type of License: Time Share Registration – Time Share Exempt**  
**History: None**

Complainant is an out of state resident. Complainant stated that they have been involved with Respondent for over 10 years. Complainant has made many purchases, trades, transactions, and upgrades. Complainant alleges that Respondent coerced them into high fees and denied them benefits that they were entitled to.

Respondent attorney responded on the Respondent's behalf ("Representative"). Representative stated that Complainant has been an owner since 2010 and upgraded their contracts in 2011, 2012, 2013, 2014, 2015, and 2017. In 2015, Complainant traded their existing contract in order to split contract points, which placed their equity into two contracts.

Based on the information provided, Complainant is outside of the rescission period under T.C.A § 66-32-114 and this matter has exceeded the statute of limitations under T.C.A § 66-32-119.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**58. 2023039201**  
**Opened: 9/5/2023**  
**First Licensed: 11/29/2006**  
**Expires: 11/28/2024**  
**Type of License: Real Estate Firm**  
**History: 2016 Consent Order for failure to provide due professional care**

Complainant is an out of state resident. Complainant stated that they have been involved with Respondent for years and entered a contract with Respondent for a



timeshare. Complainant stated that they have attempted to terminate the contract multiple times. They have three contracts and two have been closed successfully. Complainant stated that the Respondent did not follow through on promises they made to repurchase their timeshare interest and they have engaged in dishonest behavior. Complainant stated that they only owe maintenance fees, yet they refuse to close the contract.

Respondent attorney responded on the Respondent's behalf ("Representative"). Representative stated that Complainant has been an owner since 2017 and purchased two out of state timeshares. In 2019, Complainant purchased a timeshare in Tennessee. Representative stated that there was never an offer to repurchase the timeshare interest and Complainant signed a contract that stated repurchase is not an option.

Based on the information provided, Complainant is outside of the rescission period under T.C.A. § 66-32-114. Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**59. 2023039661**  
**Opened: 9/18/2023**  
**First Licensed: 9/29/2009**  
**Expires: 9/28/2025**  
**Type of License: Real Estate Firm**  
**History: None**

Complainant is an out of state resident. Complainant stated that they entered a contract with Respondent in February 2023. Complainant stated that Respondent lied about the rental options and maintenance fees associated with the timeshare. Complainant has sent multiple letters to cancel the contract. Complainant has also filed a complaint with the Attorney General's Office in another jurisdiction.

Respondent attorney responded on the Respondent's behalf ("Representative"). Representative stated that Complainant has been an owner since February 2023. Representative stated that the denial was because Complainant is outside of the rescission period.

Neither party included the timeshare agreement, and it is unclear if the property is in Tennessee. Based on the information provided, Complainant is outside of the rescission period under T.C.A § 66-32-114.

Based upon all these facts, Counsel recommends this matter be dismissed.

**Recommendation: Dismiss.**

**Commission Decision: The Commission accepted counsel's recommendation.**

**Chairman Diaz adjourned the meeting at 10:45am CDT.**