

STATE OF TENNESSEE
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NASHVILLE, TN 37243 615-741-2273
<https://www.tn.gov/commerce/regboards/trec.html>

MINUTES

The Tennessee Real Estate Commission met on October 17, 2024, at 8:30 a.m. EDT in the Higher Education Room at Kingsport Higher Education Center, 300 Market St. Kingsport, TN, 37660. In addition, the meeting was streamed electronically via the Microsoft Teams meeting platform and recorded separately for uploading to the Commission website. 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 Stacie Torbett and Commissioner Kathy Tucker. Commissioner Gaughan arrived at approximately 8:45 a.m. Quorum Confirmed. Others present are Associate General Counsel Anna D. Matlock, Associate General Counsel Kimberly Cooper, Associate General Counsel Aerial Carter, and TREC staff member Denny Lammers.

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

The motion to approve the October 17, 2024, agenda was made by Commissioner Guinn and seconded by Commissioner Tucker. The motion passed 8-0, Commissioner Gaughan was absent for the vote.

The September 11, 2024, Commission meeting minutes were submitted for approval. The motion to approve the September 11, 2024, minutes was made by Commissioner Torbett and seconded by Commissioner Tucker. The motion passed 8-0, Commissioner Gaughan was absent for the vote.

INFORMAL APPEARANCES

Justin Rimes appeared before the Commission with her Principal Broker, Rebekah Hamby, to receive approval for his Affiliate Broker license.

Commissioner Farris motioned to approve Justin Rimes and seconded by Commissioner Torbett. The motion passed unanimously.

Amir Nashed appeared before the Commission with his Principal Broker, Kurt Steckel, to receive approval for his Affiliate Broker license.

Stacy Galluzi appeared before the Commission with her Principal Broker, Janice Duncan to receive approval for her Affiliate Broker license.

Commissioner Farris motioned to approve Stacy Galluzi and seconded by Commissioner Tucker. The motion passed unanimously.

WAIVER REQUESTS

Executive Director Denise Baker presented Shirleen Lombard to the Commission seeking a medical waiver for fees and an extension of time to complete her CE's. A motion to approve was made by Commissioner Farris contingent upon completion of required education by November 30. Seconded by Commissioner Torbett. The motion carried 6-3 with Commissioners Smith, Begley and Tucker voting no.

Executive Director Denise Baker presented Marlyn Eduarte to the Commission seeking a medical waiver for fees. A motion to approve was made by Commissioner Smith and seconded by Commissioner Farris. The motion passed unanimously.

EDUCATION REPORT

Executive Director Denise Baker presented the Education Report to the Commission.

The motion to approve courses 1-37 was made by Commissioner Farris and seconded by Commissioner Begley. The motion passed unanimously.

Executive Director Baker presented the instructor biographies for approval.

The motion to approve the 3 instructor biographies was made by Commissioner Farris and seconded by Commissioner Smith. The motion passed unanimously.

EXECUTIVE DIRECTOR REPORT

Executive Director Baker presented active licensees by profession, license counts, and exams taken from PSI in the months of September and October.

Executive Director Baker announced that she and Chair Diaz, attended the ARELLO conference in Chicago and participated in the Commissioner College 101 and it was confirmed that Tennessee had conducted commission matters in a proper fashion. The conference had many speakers giving presentations about the NAR settlement.

Executive Director Baker said that Tennessee REALTORS® would like to have a TREC panel during the TN NEXT Summit on February 11, 2025.

Executive Director Baker announced that RISC was selected to be the Tennessee provider for errors and omissions (“E&O”) insurance this year. The term will be 18 months for \$155. RISC can provide optional coverage for appraisal activity for real estate brokers or affiliate brokers who are licensed real estate appraisers, and that policy will be an initial \$38 for appraisal coverage. The contract can be approved upon satisfactory completion of the terms. The state reserves the right to execute two 12-month renewal options under the same conditions as the state’s sole option. As of October 8th, of this year approximately 37,000 licensees used RISC insurance. TREC employees are gearing up for a robust E&O renewal year. We will be announcing this information in a TREC newsletter on or around October 26th.

Executive Director Baker announced the ARELLO Regulatory Investigation Seminar and that herself, Kimberly Cooper, and Aerial Carter will be attending the seminar next week in Ohio.

Executive Director Baker announced that we are now members of the Real Estate Education Association, and we will be posting the open Education Director position there as well.

Executive Director Baker announced that we will have a rule making hearing in November and December.

LEGAL SECTION

CONSENT AGENDA

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

A motion was made to accept Counsel's recommendation for complaints 1-83 except for the following complaints, which were pulled for further discussion: **2024025671, 2024028901, 2024029281, 2024031081, 2024035351, 2024029241, 2024033111, 2024036061, 2024039501, 2024035641, 2024035651, 2024035711, 2024039321, 2024011981, 2024025181, 2024037021, 2024032531.** A motion to accept was made by Commissioner Torbett and seconded by Commissioner Guinn. The motion carried unanimously.

After further discussion on complaint 2024025671 a motion was made by Commissioner Torbett and seconded by Commissioner Begley to assess a Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Code Ann. § 62-13-403(4). The motion carried 8-1 with Commissioner Diaz voting no.

After further discussion on complaint 2024028901 a motion to accept counsel's recommendation to issue a letter of warning regarding the duty owed to all parties to diligently exercise reasonable skill and care in providing services pursuant to Tenn. Code Ann. § 62-13-403(1). was made by Commissioner Tucker. Seconded by Commissioner Smith. The motion carried unanimously.

After further discussion on complaint 2024029281 a motion to send a letter of warning for failure to supervise advertising was made by Commissioner Torbett. Seconded by Commissioner Smith. The motion carried unanimously.

After further discussion on complaint 2024031081 a motion to assess a Two Hundred and Fifty Dollar (\$250.00) civil penalty for violation of Tenn. Code Ann. § 62-13-403(1). was made by Commissioner Smith. Seconded by Commissioner Torbett. The motion carried unanimously.

After further discussion on complaint 2024035351 a motion to assess a One Thousand Dollar (\$1,000.00) civil penalty for violation of Tenn. Code Ann. § 62-13-403(1). was made by Commissioner Farris. Seconded by Commissioner Smith. The motion carried unanimously.

After further discussion on complaint 2024029241 a motion to accept counsel's recommendation to assess a civil penalty for violation of Tenn. Comp. R. & Regs. 1260-05-.06(1)(b) which states that no course in real estate which is designed to satisfy educational requirements established in T.C.A. § 62-13-303 may be advertised in conjunction with any advertisement for the business of a broker or brokerage firm. was made by Commissioner Farris. Seconded by Commissioner Torbett. Motion carried unanimously.

After further discussion on complaint 2024033111 a motion to assess a Two Hundred Fifty Dollar (\$250.00) civil penalty for violation of Tenn. Code Ann. § 62-13-301. was made by Commissioner Gaughan. Seconded by Commissioner Begley. The motion carried 8-1 with Commissioner Torbett voting no.

After further discussion on complaint 2024036061 a motion to assess a One Thousand Dollar (\$1,000.00) civil penalty for was made by Commissioner Begley. Seconded by Commissioner Moffett. The motion carried unanimously.

After further discussion on complaint 2024039501 a motion assess a One Thousand Dollar (\$1,000.00) civil penalty for violation of Tenn. Code Ann. 62-13-301, to be reduced to Five Hundred Dollars (\$500.00) should Respondent obtain licensure by November 17, 2024 was made by Commissioner Smith. Seconded by Commissioner Moffett. The motion carried unanimously.

After further discussion on complaint 2024035641 a motion to revoke Respondent's license for violation of Tenn. Code Ann. §§ 62-13-313(a)(2) and 62-13-403(1) and (6). was made by Commissioner Guinn. Seconded by Commissioner Moffett. The motion carried unanimously.

After further discussion on complaint 2024035651 a motion to revoke Respondent's license for violation of Tenn. Code Ann. §§ 62-13-313(a)(2) and 62-13-403(1) and (6). was made by Commissioner Guinn. Seconded by Commissioner Moffett. The motion carried unanimously.

After further discussion on complaint 2024035711 a motion to assess Respondent a Three Thousand Dollar (\$3,000.00) civil penalty, or One Thousand Dollars (\$1,000.00) per violation of Tenn. Code Ann. §§ 62-13-313(a)(2) and 62-13-403(1) and (6). was made by Commissioner Begley. Seconded by Commissioner Smith. The motion carried unanimously.

After further discussion on complaint 2024039321 a motion to accept counsel's recommendation to accept counsel's recommendation to dismiss was made by Commissioner Gaughan. Seconded by Commissioner Tucker. The motion carried unanimously.

After further discussion on complaint 2024011981 a motion to revoke Respondent's license for violation of Tenn. Code Ann. §§ 62-13-404(3)(A)(iii) and (3)(A)(iv) and administratively open a complaint against Respondent's principal broker for failure to supervise. was made by Commissioner Torbett. Seconded by Commissioner Smith. The motion carried 8-1 with Commissioner Begley voting no.

After further discussion on complaint 2024025181 a motion to accept counsel's recommendation to dismiss was made by Commissioner Smith. Seconded by Commissioner Tucker. The motion passed unanimously.

After further discussion on complaint 2024037021 a motion to revoke Respondent's license for violations of Tenn. Code Ann. §§ 62-13-313(a)(2) and 62-13-403(1), to refer this matter to the Contractor's board and to the Tennessee Securities division, and administratively open a complaint against Respondent's principal broker for failure to supervise. was made by Commissioner Begley. Seconded by Commissioner Tucker. The motion passed unanimously.

After further discussion on complaint 2024032531 a motion to accept counsel's recommendation to dismiss and refer this matter to the Home Inspector Licensing Program was made by Commissioner Guinn. Seconded by Commissioner Moffett. The motion passed unanimously.

Kim Cooper
New Complaints:

1. 2024025671Opened: 6/10/2024

First Licensed: 1/12/2006

Expires: 8/24/2025

Type of License: Principal

Broker History: None

Complainant is the owner of a home managed by Respondent. Complainant and Respondent executed a management agreement in 2020 and Respondent then entered into a lease agreement on behalf of Complainant with Tenants, and those same Tenants were still in residence with a lease term with an end-date of May 31, 2024. Complainant alleges that Respondent never provided a copy of the lease to Complainant, and Complainant did not have Tenants' name and contact information. In February 2024 Complainant advised Respondent they were terminating their agreement and intended to renew the lease with Tenants without Respondent's involvement. Complainant again asked for Tenants' contact information, and Respondent advised it wasn't necessary since Tenants were moving out in April. Complainant went to the home to speak to Tenants and ask why they were moving out before the end of their lease and Tenants produced a letter from Respondent advising Tenants they needed to move by the end of April. The letter was sent in February after Complainant notified Respondent they were terminating their services, and Tenants had already placed a non-refundable deposit on another rental property.

Respondent stated the termination notice that was given in February had an effective date of April 30, 2024, since at that point Respondent would no longer have the authority to act as the agent for the Lessor and therefore understood that also terminated the lease entered by Respondent's firm and Tenants. Respondent confirmed Complainant also notified Respondent they intended to sign the current tenants or another person to a new lease. Respondent asserts that since their authority to act as Complainant's agent ended on April 30th, they notified Tenants the "owner wants to go in another direction with this property and so your lease will be ending on April 30, 2024." Respondent asserts Complainant did not have Tenants' contact information because Complainant was not a party to the lease agreement. Respondent provided a copy of the management agreement and the lease, and the parties to the lease are Respondent's firm and Tenants. Respondent asserts it was Complainant who terminated the Tenants' lease prematurely and acted against the

interest of the parties. Respondent does not address their refusal to provide the contact information to the Complainant when requested or their failure to notify the Complainant that they were terminating Tenants' lease.

Recommendation: Discuss.

Commission Decision: The Commission voted to assess a Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Code Ann. §62-13-403(4).

2. 2024028901

Opened: 6/10/2024

First Licensed: 12/14/2012

Expires: 11/21/2025

Type of License: Real Estate Broker

History: None

Complainant was selling their home and Respondent was Complainant's agent. Complainant alleged Respondent failed to diligently exercise reasonable skill and care in that: 1) Respondent did not sign a listing agreement at their meeting in March 2023 despite Complainant's requests to do so and Respondent waited until two weeks after Complainant provided the keys and alarm code to their home and had already moved out of state; 2) Respondent did not list the home until almost four weeks after the listing agreement was signed and "did not highlight the assets of the home"; 3) Respondent had the locks on the home re-keyed without Complainant's permission and Complainant did not have access to their home as a result; 4) Respondent had work done to the exterior and yard of the home without Complainant's permission and Complainant only learned of the work orders when they were told by Respondent that payment would be collected at closing; 5) Complainant returned after almost a year with the home still unsold and the yard in disrepair despite Respondent's assurances they were maintaining the property; and 6) Respondent did not properly explain the different kind of offers they received and this lead to the home sitting vacant for almost a year. Complainant provided pictures of the property they allege show that Respondent was not maintaining the grounds as they had described along with text messages and emails between the parties.

Respondent stated the listing agreement was in place before they started marketing the home and the delay was caused by the need to empty out the home which

Respondent coordinated because Complainant had already moved out of state. Respondent stated they told Complainant there were too many different keys for the home and that Respondent would have the locks re-keyed so that only a few keys would be needed instead of the 10-11 they had at the time. Respondent told Complainant they would pay for the locksmith out of their own pocket and when Complainant asked for copies of the keys Respondent sent them within 24 hours. Additionally, when the listing expired Respondent stated they turned over the keys to Complainant's attorney the next day and removed the sign and lockbox from the home. Respondent stated they kept in regular contact with the Complainant regarding maintenance on the property and showings, and there are copies of several emails and texts between the parties wherein Respondent kept Complainant informed as to the activity on the property, including their concerns about the keys. Respondent stated the home had over sixty showings, more than ten offers and went under contract twice. As to the condition of the grounds, Complainant did not come back until after the listing agreement expired and Respondent could not speak to the state of the yard at that point. At Counsel's request, Respondent provided copies of the listing agreement and provided a copy of a settlement agreement/release in Respondent's favor that was the result of Respondent suing Complainant for the costs of work done to the property. Respondent alleged the complaint was filed in retaliation for the lawsuit.

Complainant provided a rebuttal and denied Respondent helped coordinate the clean out of the home aside from finding a company that could provide and then remove a dumpster for Complainant and their family to use while they cleaned out the home. Complainant alleged that Respondent did not return personal paperwork left in the home after promising to do so, charged Complainant for work that Complainant did not authorize, and did not return the correct keys to the home.

Recommendation: Letter of Warning regarding the duty owed to all parties to diligently exercise reasonable skill and care in providing services pursuant to Tenn. Code Ann. § 62-13-403(1).

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

**3. 2024029281
Opened: 6/24/2024**

First Licensed: 11/9/2006

Expires: 12/19/2024

Type of License: Principal Broker

History: 2022 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance; 2022 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance

This was an administratively opened complaint. Respondent's affiliate was assessed a civil penalty due to an advertising violation on Affiliate's social media page. Affiliate's page did not contain the firm name or telephone number. Respondent stated they reviewed Affiliate's website at Affiliate's request to ensure that it met with the advertising rules and was unaware of any social media pages that were not in compliance with the "one click" requirement. Respondent stated they have weekly meetings with their affiliates where the rules related to advertising have been covered several times, and they will continue to inform their licensees of the requirements and instruct them to check their social media pages and confirm they are compliant.

Recommendation: Letter of Warning regarding failure to supervise advertising.

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

4. 2024030671

Opened: 6/24/2024

First Licensed: 1/20/2023

Expires: 1/19/2025

Type of License: Principal Broker

History: None

Complainant was selling their home and contracted with Respondent, who operates a flat fee MLS listing service, to list their home. Complainant alleged that Respondent's listing had the wrong phone number for almost four months, and that Respondent was not responsive to calls, emails or texts, including on the number that the Respondent provided in the listing.

Respondent stated that they mistakenly placed their own cell number in the MLS listing, but that there were no calls for Complainant's property. Respondent provided copies of the call logs and activity report for Complainant's home that appears to confirm that no showings were requested. Respondent did not address the lack of communication and failure to fix the listing for four months.

Recommendation: Five Hundred Dollar (\$500.00) civil penalty for lack of reasonable skill and care in violation of Tenn. Code Ann. § 62-13-403(1).

Commission Decision: The Commission accepted counsel's recommendation.

5. 2024031081
Opened: 6/24/2024
First Licensed: 11/12/2020
Expires: 11/11/2024
Type of License: Affiliate Broker
History: None

Complainant was the agent for Buyer, and Respondent was Seller's agent. Buyers requested plumbing and electrical repairs to the home and a Repair Amendment was executed by the parties. Respondent followed up approximately two weeks before the closing was to take place and told Complainant that the repairs had been done, but when Complainant went to the home, they found that only one of the numerous repairs had been completed and it appeared that the contractor attempted to conceal the fact that the other repairs had not been done. Complainant contacted Respondent about the issue and was told that the contractor told Respondent the repairs were done, so that's what they told Complainant. Buyers also required the home to be professionally cleaned due to the mess left by the repairs and allege that the home was only "broom swept" instead. The contractors ended up working on the home up to the scheduled time of the closing after several missteps and no-shows by the contractors even after the parties agreed to extend the closing for the repairs to be completed. Complainant alleges that Respondent failed to treat all parties with honesty and good faith as required by Tenn. Code Ann. § 62-13-403(4).

Respondent denied misleading the Complainants and placed much of the blame for any miscommunications on the project manager hired by Sellers to complete the

repairs. Respondent provided copies of the text messages between Respondent and Complainant, while they do show Respondent stayed in contact on an almost daily basis with Complainant, also demonstrate Complainant's growing frustration on behalf of their clients that repairs were not completed, and cleaning was not done. Once Respondent knew repairs had in fact not been done as the contractor stated, Respondent did not take any steps moving forward to check on the project in person and make sure they were being told the truth before they passed on any updates to the Complainants.

Recommendation: Letter of Warning regarding the duty owed to all parties to diligently exercise reasonable skill and care in providing services pursuant to Tenn. Code Ann. § 62-13-403(1).

Commission Decision: The Commission voted to assess a Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Code Ann. § 62-13-403(1).

6. **2024031511**
 Opened: 7/8/2024
 First Licensed: 3/1/1996
 Expires: 11/6/2025
 Type of License: Principal Broker
 History: None

Complainant was a Buyer and Respondent was the agent for Seller. Seller had already moved out of state and had their pool winterized. Complainant alleged in the days before closing Respondent allowed contractors to enter the property without Seller or their Agent's permission to inspect the pool and left the pool uncovered for an unknown number of days before it was discovered by another agent who went to check on the property. Complainant and their agent were not notified that the final walk-through had been scheduled by Respondent, and when Respondent was asked about it by Agent, Respondent said the Buyer's father would be conducting the final walk-through of the home. Agent asked who from Respondent's firm would be accompanying the father, and Respondent stated, "the Buyer's dad was a licensed, bonded and insured contractor" and his wife would also be accompanying him. Agent followed up again to ask what agent would be doing the walk-through and

never got an answer. Agent stated they had already gone and picked up the lockbox, leaving a keypad on the door lock and that the Respondent had the code.

Respondent said they knew nothing about the pool being left uncovered or what pool company came by to inspect the home, but it must have been set up by Buyer. Respondent did not initially address in their response whether they allowed Buyer's father to walk through Complainant's home unaccompanied. Counsel followed up with Respondent and Respondent confirmed that an agent did not accompany the father, blaming it on scheduling issues and the need to confirm the "house was still standing" on the day of closing. Respondent asserted that Buyer's father was a licensed contractor and they had worked together previously, but then acknowledged that Father's license had been retired for several years.

Recommendation: One Thousand Dollar (\$1,000.00) civil penalty for lack of reasonable skill and care in violation of Tenn. Code Ann. § 62-13-403(1).

Commission Decision: The Commission accepted counsel's recommendation.

7. **2024032361**
 Opened: 7/8/2024
 First Licensed: 6/13/2007
 Expires: 6/12/2025
 Type of License: Affiliate Broker
 History: None

Anonymous Complainant alleged Respondent violated advertising rules by posting on Facebook that they "can list your property for as low as 4%."

Respondent stated they consulted with their broker and their association's legal hotline regarding the post and felt they did not violate the TREC Rules regarding advertising. As support for their statement, they forwarded guidelines provided by the NAR antitrust handbook. Respondent's broker asked Respondent to remove the post after they received the complaint and Respondent did so.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

8. 2024035351

Opened: 7/15/2024

First Licensed: 8/31/2021

Expires: 8/30/2025

Type of License: Affiliate Broker

History: None

Complainants were selling their home and Respondent was the agent for the Buyer. Complainants allege that Respondent lied to their agent and assured them that the Buyer had an approved loan for the purchase of the property when in fact Respondent knew three weeks before the closing date the financing had been denied due to what the mortgage company felt was pending HOA assessments that would be too costly for Buyer to maintain. Based on Respondent's assurances Complainants had already entered into a purchase agreement for a property and ended up forfeiting their own earnest money when Buyer was unable to close on the purchase of Complainants' home. Complainants also returned Buyer's earnest money since it appeared the financing contingency had been met. Complainants then learned that not only had Respondent known weeks before closing that the Buyer had not been approved but Respondent represented Buyer on the purchase of another property during the same timeframe. Complainants allege that if Respondent had been honest about the denial of the loan at the time Respondent learned about it and told their own agent the truth they would not have put in an offer on another home and would have simply executed a mutual release that would have been beneficial to all parties instead of losing thousands of dollars in earnest money.

Respondent stated that they reached out to Buyer's bank on March 20, 2024, and confirmed that Buyer was prequalified, and they were continuing to work on the file "for further evaluation and underwriting". Respondent denied ever telling Complainant's agent that the loan review or underwriting was complete or that the loan was fully funded but did tell Complainant's agent on March 26th that to the best of their knowledge the loan process was moving forward. Respondent asserted that they learned about the assessments that same day and allege Complainants knew about the HOA assessments and did not inform Buyer. Buyer immediately notified

Buyer's bank. The loan was then denied on April 3rd, but Buyer continued to investigate other financing options. Buyer was preapproved with a different lender but at a higher interest rate and did not want to go with that option. Closing was set for May 17th and on April 24th Buyer placed a "back up offer" on another property due to uncertainty with Complainant's property. Respondent asserted Buyer was confident that financing would be possible up until April 22nd when Buyer began to feel "very uncertain" that they would be approved. Respondent stated they learned on April 25th the loan was "fully denied" and states they immediately called Complainant's agent. Complainants did not have a financing contingency on the purchase of their new home, and so when Buyer was unable to close, they lost their earnest money to the Sellers.

Copies of text messages between the parties were provided and on April 3rd Complainant's agent asked: "Are we to assume all is good with the buyer's financing? My sellers are ready to make an offer on a property & planning on getting a storage unit." Respondent replied: "Yes ma'am. We are good to go!"

Recommendation: Discuss.

Commission Decision: The Commission voted to assess a One Thousand Dollar (\$1,000.00) civil penalty for violation of Tenn. Code Ann. § 62-13-403(1).

9. 2024036911
Opened: 7/15/2024
First Licensed: 11/12/2020
Expires: 11/11/2024
Type of License: Affiliate Broker
History: None

Complainant was the seller of a home and Respondent was the buyer's agent. Complainant was not represented by an agent. Complainant received an offer to purchase the property and a contract was executed the same day. The Purchase Agreement was blank regarding the earnest money amount required to be deposited by the buyer. Complainant alleges they contacted Respondent who replied that it was a mistake, and they would supply an addendum to correct the matter and buyer would deposit \$1000 in earnest money. The day before closing Complainant was notified

Buyers were backing out and learned from the title company the earnest money was not deposited. Complainant alleges Respondent was deceitful and helped Buyers breach their purchase contract.

Respondent confirmed they prepared an addendum and forwarded it to Complainant for their signature. Complainant delayed signing it and sending it back until the day before closing. Respondent informed Buyers of their responsibility to deposit the earnest money. Respondent provided copies of the texts between the parties, and Respondent kept Complainant timely informed of their communications with the Buyers including the responsibility to deposit the earnest money. This appears to be primarily a contractual dispute between the parties and outside the jurisdiction of the Commission.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

10. 2024038161

Opened: 7/15/2024

First Licensed: 3/6/2007

Expires: 3/5/2025

Type of License: Affiliate Broker

History: None

Complainant/homeowner alleges that Respondent called their home number and made an offer to assist in getting "PMI off our mortgage." Complainant stated they did not provide their number to Respondent and did not know how they obtained it. Complainant stated that Respondent offered to come by their home and take pictures of the home as part of the evaluation process, and Complainant agreed to the appointment. After the appointment and meeting with Respondent, apparently Complainant was unsuccessful with their mortgage modification and now believes that Respondent is operating some sort of scam. Complainant did state that they had inquired previously with their mortgage company about an adjustment of their mortgage terms.

Respondent stated that they are forwarded requests for evaluations from a third-party vendor that works with the homeowner's mortgage company. Respondent confirmed they spoke with Complainant; Complainant agreed to the appointment; and Respondent then submitted their Property Condition Report. The Respondent contacted the Complainant a few days later to let them know they had submitted the report and has had no contact with Complainant since then. Respondent has been performing these Property Condition Reports since 2009 and attached a copy of the Vendor Order for Complainant's property. There is no apparent violation of the Rules or *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

11. 2024029241

Opened: 7/15/2024

First Licensed: 10/3/2014

Expires: 10/02/2026

Type of License: Real Estate Firm

History: None

Complainant alleged that Respondent firm was advertising in conjunction with a continuing education course. Complainant provided a copy of the advertisement which states there will be three (3) hours of CE credit for one topic and two (2) hours of CE credit on another topic "Brought To You By (Firm Name)."

Respondent stated that the course took place off site and that the Firm "simply pulled everything together and.... did help financially cover the speaker costs." Respondent asserted that they did not believe they did anything wrong and apologized for any issues.

Recommendation: Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Comp. R. & Regs. 1260-05-.06(1)(b) which states that no course in real estate which is designed to satisfy educational requirements established in T.C.A. § 62-13-303 may be advertised in conjunction with any advertisement for the business of a broker or brokerage firm.

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

12. 2024032631

Opened: 7/15/2024

First Licensed: 9/30/2013

Expires: 3/11/2025

Type of License: Real Estate Firm

History: None

Complainant was a buyer and Respondent was the Complainant's agent. Complainant alleged that Respondent told them they would close on a certain date and seemed to allege it was Respondent's fault that the closing was delayed.

Respondent stated that the initial closing was delayed for almost a week due to Complainant's financing being worked out and they worked with the Complainant without complaint throughout the process. Respondent provided letters from Complainant's lender in support of Respondent and their work on behalf of Complainant. There is no apparent violation of the Rules or *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

13. 2024032601

Opened: 7/22/2024

First Licensed: 2/23/2016

Expires: 2/22/2026

Type of License: Affiliate Broker

History: None

Complainant was a neighbor of a home that was listed for sale by Respondent. Complainant alleged Respondent incorrectly listed the home as a three-bedroom when it was in fact a two bedroom and was very concerned it would affect their own

property value when they chose to sell or re-finance. Complainant asked the Commission to direct Respondent to correct the listing.

Respondent's principal broker ("PB") responded on Respondent's behalf. PB advised the owner of the home told Respondent it was a three-bedroom and so Respondent drafted the listing with that information. The MLS listing was corrected at PB's request to reflect two bedrooms and a den, and they contacted the Complainant and apologized for any inconvenience.

Recommendation: Letter of Warning regarding advertising be kept current and accurate pursuant to Tenn. Comp. R. & Regs. 1260-02-.12(5)(c).

Commission Decision: The Commission accepted counsel's recommendation.

14. 2024033111
Opened: 7/22/2024
Unlicensed
History: None

Complainant alleged that Respondent posted a "For Sale" sign on a lot that Respondent did not own, with Respondent's personal cell phone number as the contact number. Complainant provided a picture of the sign.

Respondent confirmed that they placed the sign and stated the lot was owned by friends who lived out of state; Respondent had been the caretaker for the lot since it was purchased; and the friends asked Respondent to be the "local contact person" when they decided to sell the property. The lot sold approximately eight weeks later, and Respondent asserted they were not involved in negotiations for the purchase nor were they compensated for the sale.

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

Commission Decision: The Commission voted to assess a Two Hundred Fifty Dollar (\$250.00) civil penalty for violation of Tenn. Code Ann. § 62-13-301.

15. 2024034041

Opened: 7/22/2024

First Licensed: 1/16/1973

Expires: 9/13/2026

Type of License: Principal Broker

History: None

Complainant is the owner of a condominium that is part of a community that has been managed by Respondent for several years. Complainant alleges that due to Respondent's mismanagement of a plumbing problem that occurred in 2021 Respondent and the members of the HOA were sued by another homeowner for \$25,000 in repairs. Respondent and the HOA settled that lawsuit, and Complainant alleges that Respondent coerced the HOA Board into passing the cost of the settlement onto the homeowners in April 2024 by requiring a special assessment of \$300. Complainant asserts that Respondent has "not only failed to perform his duties, but failed to disclose to the members that the suit was settled and furthermore attempted to pay for his incompetence with a special assessment that was disguised for the purpose to making repairs that were already in the budget." Complainant asks that the Commission suspend Respondent's license or at the minimum prohibit Respondent from engaging in any activity with their HOA. Complainant has previously filed complaints against the Respondent that were closed with no action.

Respondent stated they have been the listed agent for the HOA since 2014. The lawsuit referenced by Complainant was dismissed in 2021, and three separate insurance companies paid for the repairs. Respondent stated that the special assessment made in April 2024 was the result of a shortfall in 2023 due to repairs to the roof that were needed. Respondent attached the cashflow reports documenting the expenses and payments to the roofing companies. Respondent also provided a letter from a board member of the HOA reiterating the assessment was the result of 2023 repairs and had nothing to do with the incident Complainant referenced.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

16. 2024034291

Opened: 7/22/2024

First Licensed: 4/27/2015

Expires: 4/26/2025

Type of License: Affiliate Broker

History: 2021 Consent Order for failure to exercise reasonable skill and care and advertising violation

Complainant was a buyer and Respondent was the listing agent for the property. Complainant was represented by an agent. Complainant alleged that Respondent advertised the property as being over 2 acres, and when Complainant's agent questioned the size of the lot after walking it with the Complainant, Respondent confirmed via text that it was 2.2 acres. Complainant purchased the property then had it surveyed a few months later and learned it was .829 acres. Complainant alleges Respondent "willingly lied to buying agent...to close the deal" on the home.

Respondent denied intentionally misleading Complainant or Complainant's agent. Respondent provided copies of the MLS listing and stated they obtained the information on the lot size from the owner of the property as well as local CRS records, the previous listing, and tax records. Respondent advised Complainant asked for a 7-day inspection period, walked the property with their agent and despite having concerns about the lot size did not request a survey. Respondent provided copies of the tax information and CRS report and the lot size noted in the reports if accurate would have been approximately two acres.

Recommendation: Letter of Warning regarding advertising be kept current and accurate pursuant to Tenn. Comp. R. & Regs. 1260-02-.12(5)(c).

Commission Decision: The Commission accepted counsel's recommendation.

17. 2024034741

Opened: 7/22/2024

First Licensed: 2/6/2018

Expires: 9/25/2025

Type of License: Principal Broker
History: None

Complainant was selling their home and Respondent was their agent. Complainant alleged Respondent did not answer their questions and Complainant “was not given any explanation about any documents” they were signing, they were just told to sign them. Complainant alleges that Respondent did not work in Complainant’s interests.

Respondent and Complainant both provided copies of text messages between the parties wherein Respondent detailed the purchase price, the closing costs that Complainant would be paying, the earnest money amount, the closing dates, the inspection period, etc. Respondent stated Complainant reviewed the closing disclosure at the closing before they signed the documents and Respondent answered any questions they did have. There is insufficient proof of any violation of the Rules or the *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel’s recommendation.

18. 2024034811
Opened: 7/22/2024
First Licensed: 5/20/2022
Expires: 5/19/2026
Type of License: Affiliate Broker
History: None

Complainant alleged that they had their home listed For Sale by Owner and was contacted by Respondent who told Complainant they could have Complainant’s home sold within thirty days for more than Complainant’s list price. Complainant alleges they missed out on a cash buyer and the home remains on the market months later despite Respondent dropping the list price. Complainant alleges Respondent has wasted Complainant’s time and caused much stress and anxiety.

Respondent stated the “cash offer” Complainant reported was never in writing and Respondent advised Complainant they could execute a mutual release of the agency contract and pursue their own offers if they were unhappy with Respondent. Respondent provided copies of text messages between Respondent and what appears to be Complainant’s spouse discussing the list price, potential offers, and the offer to execute a mutual release. Respondent denied ever claiming to have “guaranteed offers” and Complainant did not provide any proof that they did so.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel’s recommendation.

19. 2024036061

Opened: 7/22/2024

First Licensed: 3/10/2022

Expires: 3/9/2026

Type of License: Affiliate Broker

History: None

Complainants alleged that Respondent was owner/seller of a property that Complainant wanted to purchase. Complainants alleged that Respondent knew of existing environmental issues including a report from the Tennessee Department of Environment and Conservation and did not disclose the issue. Complainant alleged that TDEC has multiple logs of the numerous letters and calls that were had with the Respondent alerting them to the issues. The letters were addressed to Respondent because the property is recorded solely in Respondent’s name. Complainant also alleged that Respondent was difficult to contact and communicate with.

Respondent confirmed that TDEC did reach out to them in the months prior to the sale but alleged that TDEC spoke with their spouse and that the information regarding the environmental hazard was conveyed only to the spouse. Respondent stated they learned of the issue from their spouse in the days right before closing and immediately notified Complainants’ agents and updated the disclosure form. Respondent blamed the oversight on a “busy sports’ season” with their children.

Recommendation: Five Hundred Dollar (\$500.00) civil penalty for failure to act with reasonable skill and care in providing services to all parties to the transaction Tenn. Code Ann. § 62-13-403(1).

Commission Decision: The Commission voted to assess a One Thousand Dollar (\$1,000.00) civil penalty for violation of Tenn. Code Ann. §§ 62-13-403(1) and (4).

20. 2024031021
Opened: 7/22/2024
First Licensed: 4/14/2022
Expires: 4/13/2026
Type of License: Real Estate Firm
History: None

Complainant was a guest at a property managed by Respondent. Complainant alleged various problems with the property during their stay and complained the property was poorly managed and Respondent was not responsive to their concerns. Respondent apologized for any issues and provided proof a full refund was issued within two weeks of their stay.

There are no apparent violations of the Rules or the *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

21. 2024038391
Opened: 7/29/2024
First Licensed: 2/8/2023
Expires: 2/7/2025
Type of License: Affiliate Broker
History: None

Complainant was a renter who responded to a listing of a property by Respondent on Zillow. Complainant alleges that Respondent did not disclose that they had a personal interest in the property. Complainant also alleges that after they entered into a lease agreement, they found drug paraphernalia in the home that Respondent claimed belonged to their fiancée/property owner's sister. Complainant also alleged that Respondent divulged confidential personal information regarding their finances to third parties without Complainant's consent.

Respondent provided a copy of a text message with Complainant wherein they acknowledge the Respondent is the fiancée of the owner of the property. Respondent also denied divulging any confidential information and provided a copy of a text message sent by Complainant between the Complainant, Respondent and a third party wherein Complainant asks the third party to provide financial information to Respondent. Respondent stated they did not respond to the text or contact any third parties aside from references provided by Complainant.

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

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

22. 2024039241

Opened: 7/29/2024

First Licensed: 8/18/1998

Expires: 12/5/2024

Type of License: Principal Broker

History: None

Complainant was the principal broker of Respondent's former firm. Complainant alleges Respondent left the firm and opened their own brokerage with another broker. Complainant alleges that Respondent then contacted at least two of Complainant's current clients to solicit their business, and still have possession of Complainant's client information. Complainant alleges that Respondent is

counseling a client of another real estate licensee on how to terminate an existing agency contract in violation of Tenn. Code Ann. § 62-13-604.

Respondent denied ever reaching out to Complainant's clients and asking them to break their agency agreement with Complainant. Respondent stated they had already received a Cease-and-Desist letter from Complainant and were happy to comply. The parties have been in litigation concerning the dissolution of their business relationship, and this matter appears to primarily be a civil matter between the parties. There is insufficient evidence of a violation of the Rules or the *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

23. 2024039291

Opened: 7/29/2024

First Licensed: 2/9/2022

Expires: 2/8/2026

Type of License: Affiliate Broker

History: None

Complainant alleged that Respondent advertised a property without identifying themselves as an agent and did not provide the brokerage phone number within one click of the advertisement. Complainant provided screenshots of the advertisement.

Respondent stated that they omitted the information in the advertisement by mistake and corrected the ad as soon as it was pointed out. They apologized for the error.

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

Commission Decision: The Commission accepted counsel's recommendation.

24. 2024040281

Opened: 7/29/2024

First Licensed: 9/19/2016
Expires: 9/18/2026
Type of License: Affiliate Broker
History: None

Complainant is a property owner who contracted with Respondent's firm to manage complainant's properties. Complainant alleged that Respondent was not acting in good faith; was mismanaging their properties and "bullying" the Complainant; and was breaching the terms of their contract.

Respondent's principal broker ("PB") responded on Respondent's behalf. PB stated that they have been and are managing the situation with Complainant and provided emails between the parties wherein Complainant agreed they are now on good terms. The contract dispute between the parties is not within the jurisdiction of the Commission.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

25. 2024038291
Opened: 7/29/2024
First Licensed: 12/11/2015
Expires: 12/10/2025
Type of License: Real Estate Firm
History: None

Complainant was a homebuyer of a property listed by Respondent. Complainant provided a copy of the listing, which stated "13-month home warranty for peace of mind." Complainant alleges that they assumed they would receive the warranty as part of closing, but it was not included. Complainant was told to speak to their agent if they had any questions, and their agent responded that Respondent "refused to honor it."

Respondent agreed they marketed the home offering the warranty, but the selling agent waived the warranty. Respondent provided a copy of the executed Purchase

and Sale Agreement, and the Home Protection Plan is checked “waived”. Based on the information provided there does not appear to be a violation of the Rules or *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel’s recommendation.

26. 2024039501
Opened: 7/29/2024
Unlicensed
History: None

Complainant alleged that Respondent is operating an unlicensed property management company. Complainant provided screenshots of the Respondent’s website, entitled “(Respondent) Property Management” and has online booking options as well as an “owner portal”.

Respondent stated they were unaware they needed state licensing in addition to the local permits they had already obtained. They apologized for the error and stated they were in the process of obtaining their license.

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

Commission Decision: The Commission voted to assess a One Thousand Dollar (\$1,000.00) civil penalty for violation of Tenn. Code Ann. 62-13-301, to be reduced to Five Hundred Dollars (\$500.00) should Respondent obtain licensure by November 17, 2024.

27. 2024033301
Opened: 8/5/2024
First Licensed: 4/26/2001
Expires: 10/6/2024 (Expired, Grace)
Type of License: Real Estate Broker
History: None

Complainant alleges that she has been a tenant in a home for several years and that Respondent was their landlord. Complainant alleges Respondent offered to sell them the home for a set amount, then presented a purchase agreement for a higher amount. Complainant alleges Respondent acted as Complainant's agent and did not disclose that they were the owner of the property, and "did not fill out any disclosures that Respondent not Complainant's agent" or any waivers associated with "purchasing the property without an agent." Complainant provided a copy of an unexecuted purchase agreement with an addendum regarding financing that was signed by all parties.

Respondent stated that Complainant entered into a lease agreement with Respondent and Respondent's spouse in 2002. Respondent asserted that Complainant understood Respondent and Spouse owned the home at all times relevant during their twenty-three-year tenancy. Respondent informed Complainant they were going to be selling the home and asked Complainant if they wanted to purchase the home. Respondent offered to work directly with the Complainant, who had assistance from a community development corporation regarding their financing. Respondent provided copies of communications between Respondent, Complainant, and two employees of the corporation discussing the sale price of the home and the financing that Complainant would need. Respondent stated they prepared the Purchase and Sale Agreement, the Personal Interest and Disclosure Consent Form, and the Confirmation of Agency Status disclosing Respondent would be acting as a transaction broker and facilitator. Complainant's bank only asked for a copy of the unexecuted Purchase and Sale Agreement, and Respondent was waiting to hear back from Complainant and the community development corporation before asking Complainant to execute the documents. The emails between the parties continued and Complainant was aware of the requests by the community development corporation and involved in obtaining the information they needed. In the emails Complainant seems to be appreciative of Respondent's efforts to assist in obtaining the financing Complainant needed. Respondent and Complainant executed a Mutual Release once it was determined that financing would not be possible. Based on all the information provided there is insufficient evidence of a violation of the Rules or *Broker Act*.

Recommendation: **Dismiss.**

Commission Decision: The Commission accepted counsel's recommendation.

28. 2024035291
Opened: 8/5/2024
First Licensed: 9/15/2021
Expires: 9/14/2025
Type of License: Affiliate Broker
History: None

Complainant is a mortgage broker and Respondent was an agent for a buyer. Complainant alleges that they referred the Buyer to Respondent and let Respondent know that Buyer would need assistance with a down payment and closing costs. Complainant alleges due to a mistake by Respondent, after closing "the title company reached out (to Complainant) that the cash to close was wrong and it's asking for the borrower to give the money back."

Respondent stated they were unaware of any error at closing; they reduced their commission at Complainant's request to make the sale "work" for Buyer only to learn after the fact that Buyer did not need that concession to close; and if the title company reached out to Complainant, then it was because the title company felt that Complainant had made an error, not Respondent. There is insufficient evidence of a violation of the Rules, or *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

29. 2024035641
Opened: 8/5/2024
First Licensed: 8/27/2013
Expires: 8/12/2025
Type of License: Principal Broker
History: 2022 Letter of Warning

Complainant is a property owner that contracted with Respondent to manage their rental unit. The property was leased to Tenant in June 2023 and Respondent collected a security deposit from Tenant in the amount of \$1650 in addition to first month's rent and accepted a \$500 repair deposit from Complainant. Complainant attempted to terminate the agreement with Respondent in October 2023 due to Respondent's failure to communicate with both Tenant and Complainant. The contract with Respondent terminated May 31, 2024, and Complainant sent timely notice in April that they were not renewing the contract and to transfer the security deposit into a specific bank account. Complainant alleges Respondent ignored multiple requests from both Complainant and Tenant to return the deposit until finally Respondent sent an email in June stating they had mailed a check to Complainant. Complainant never received the security deposit and Respondent ceased all communication with both Complainant and Tenant. Complainant provided copies of the deposit sent to Respondent; property management agreement; the emails and texts to Respondent from Complainant and Tenant requesting the return of the deposits; and the message from Respondent to Complainant stating that the check was in the mail. Complainant contacted Legal Counsel and advised that since they filed the complaint, Respondent agreed to return the deposit but has again ceased communicating with Complainant. Complainant also paid the security deposit to Tenant out of their own funds and provided a copy of that receipt.

Respondent did not respond to the complaint, and the mailed copy of the complaint to Respondent was returned "undeliverable".

Recommendation: Discuss.

Commission Decision: The Commission voted to revoke Respondent's license for violation of Tenn. Code Ann. §§ 62-13-313(a)(2) and 62-13-403(1) and (6).

30. 2024035651

Opened: 8/5/2024

First Licensed: 8/16/2021

Expires: 8/15/2025

Type of License: Real Estate Firm

History: None

Respondent is the firm of the Respondent in **related complaint REC-2024035641 (#29)**. Respondent did not provide a response to the complaint.

Recommendation: Discuss.

Commission Decision: The Commission voted to revoke Respondent's license for violation of Tenn. Code Ann. §§ 62-13-313(a)(2) and 62-13-403(1) and (6).

31. 2024035711

Opened: 8/5/2024

First Licensed: 4/26/2018

Expires: 4/25/2026

Type of License: Affiliate Broker

History: None

Complainants leased a home from Respondent and they each paid an \$850 security deposit to Respondent. The lease term ended May 31, 2024, and Complainant gave timely notice they would not be renewing the lease. Complainant provided a copy of the Lease Agreement executed by the parties. Complainant alleges that Respondent has not returned their security deposits and it has been more than thirty days since the end of the lease term.

Respondent did not respond to complaint.

Recommendation: One Thousand Dollar (\$1,000.00) civil penalty for failure to respond within ten days in violation of Tenn. Code Ann. § 62-13-313(a)(2).

Commission Decision: Commission voted to assess Respondent a Three Thousand Dollar (\$3,000.00) civil penalty, or One Thousand Dollars (\$1,000.00) per violation of Tenn. Code Ann. §§ 62-13-313(a)(2) and 62-13-403(1) and (6).

32. 2024037641

Opened: 8/5/2024

First Licensed: 8/21/2001

Expires: 9/25/2025

Type of License: Real Estate Broker

History: None

Complainant was a Buyer and was represented by an agent. Respondent was the Seller's agent and worked in the same firm as Complainant's agent. Complainant seems to be alleging that Respondent did not forward their offers to their client, and did not communicate timely with their own agent, and may have been working together against Complainant's interests. Complainant believes that Respondent lied about having multiple offers on the property and updated Zillow showing the property was under contract when it was not actually under contract to coerce the Complainant into making a higher offer.

Respondent affirmed that they were the agent for the Seller, and that they conveyed to Complainant's agent that there were multiple interested parties and offers because that was in fact the case. They could not speak to the communications between Complainant and their own agent but asserted that all offers were timely presented to the Sellers, who simply chose another Buyer's offer. Respondent provided copies of emails between all the parties including the principal broker who attempted to resolve any communication issues and controversy between the parties. Respondent stated they were not responsible for what information Zillow posted but that Complainant seemed to be referring to and was confused about the "Right of First Refusal" option that Seller was exercising regarding offers.

Based on the documentation provided, Respondent was acting according to their own client's wishes and there does not appear to be a violation of the Rules or *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

33. 2024039151

Opened: 8/5/2024

First Licensed: 6/24/2016

Expires: 6/23/2026

Type of License: Affiliate Broker

History: None

Complainant alleged that Respondent discriminated against Complainant because they were a veteran, attempted to discourage them from purchasing a home, and refused to show them a home they were interested in purchasing. Complainant stated that Respondent also hung up on them and then refused their calls.

Respondent stated that the Complainant was a referral from a service that helps veterans buy homes, and they met with Complainant to show them a property. Respondent was very quickly uncomfortable with Complainant's behavior and did not feel safe. Respondent did try to explain to the Complainant that they had not completed the pre-approval process with the referral agency but that just seemed to aggravate Complainant further, so they did not argue with them about it. Respondent asserted Complainant called and texted them repeatedly in the hours after the showing, so Respondent contacted the referring agency and asked them to assign Complainant to a different agent. Respondent provided the contact information for the referral manager, the loan officer, and the listing agent of the property they visited with Complainant to verify Respondent attempted to work with Complainant and then followed up to get Complainant help when they decided they could not assist Complainant.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

34. 2024039321

Opened: 8/5/2024
First Licensed: 7/13/2022
Expires: 7/12/2026
Type of License: Affiliate Broker
History: None

Complainant was a potential buyer of a home listed by Respondent for Sellers. Complainant alleged that the listing said an inspection and appraisal had been completed but the information was not provided by Respondent because those services were paid for by other potential buyers. After Complainant's offer was accepted, Complainant paid for their own inspection, and submitted a repair/price reduction request. Complainant alleges that the Respondent did not respond to their request and then re-listed the home without notification to Complainant. Complainant's agent and Respondent worked for the same firm and Complainant alleges they worked together against Complainant's interests and used their offer as a bid point for other offers.

Respondent stated they told Complainant's agent they could not provide the previous buyer's inspection and appraisal reports. Their Seller believed that the repair/price reduction submitted by Complainant was unreasonable and their rejection was communicated to the Complainant's agent. Respondent stated they were in communication with the Complainant's agent and had no way to know the Complainant was unclear of the contract status. Respondent stated the mutual release was signed by all parties and the earnest money returned in a timely manner. There is insufficient evidence of any violation of the Rules or the *Broker Act*.

Recommendation: Dismiss.

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

35. 2024036031
Opened: 8/12/2024
First Licensed: 9/17/2018
Expires: 9/16/2026
Type of License: Affiliate Broker
History: None

Complainant and their ex-spouse owned several properties under an LLC that included a short-term rental home that was under the management of Respondent. Complainant was awarded ownership of the LLC and property in the divorce and alleges that Respondent informed Complainant they had an “indefinite contract” with the LLC to manage the property and termination of the contract would require a large payout of the equity in the home. Complainant alleged they never contracted with the Respondent for their services, alleges that Respondent mismanaged the property and allowed damage to be done by guests without repair, and is extorting Complainant.

Respondent’s attorney (“RA”) replied on behalf of Respondent. RA provided copies of the agreement between the LLC and Respondent, recent emails wherein Complainant thanked Respondent for their services, and an amendment to the contract that appears to be signed by Complainant and their now ex-spouse just prior to their divorce. As this is primarily a contract dispute between the parties, it is outside the jurisdiction of the Commission.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel’s recommendation.

36. 2024040751

Opened: 8/12/2024

First Licensed: 6/3/2002

Expires: 11/12/2024

Type of License: Affiliate Broker

History: 2008 Letter of Warning

Complainant is the caretaker for Parent and has power of attorney. Complainant alleged Parent received a letter from Respondent offering to purchase Parent’s home. Parent reached out to Respondent “because Parent was curious as to the value of the home.” Complainant alleges that Respondent met with Parent, had Parent sign some paperwork, and gave Parent \$3,000. Complainant alleges that Parent’s difficulty understanding the paperwork and disability were “obvious” and that Respondent took advantage of Parent and tried to buy Parent’s home. Complainant stated that in

addition to having power of attorney over Parent, Complainant is also the actual owner of the home, and provided a copy of the POA and Quit Claim deed that was executed by Parent and Complainant in March 2024. The deed was recorded on June 13, 2024, the day after Respondent met with Parent. Complainant alleges that Respondent harassed Parent after being told by Complainant that the home was not for sale, and asserted the Respondent is scamming unsuspecting seniors and attempting to steal their homes.

Respondent stated that Parent called Respondent in response to a mailer and set up an appointment to meet with Respondent at Parent's home. Respondent provided a copy of the call-in form that their employee completed during the phone call. Parent then called back and rescheduled the appointment because they had a conflict. Respondent met with Parent, discussed Parent's plans to move in with Complainant, and agreed on a selling price. Parent signed a Purchase and Sales Agreement and Respondent paid Parent \$3,000 as earnest money towards the purchase of the home. Respondent denied taking advantage of Parent, and stated they did a title search and found that Parent was the legal owner before they reached out to Parent. Complainant sent Respondent a copy of the deed and Respondent noticed it was filed after they met with Parent. Respondent did try to communicate with Parent to get their \$3,000 back, which Parent has not returned. Respondent also provided a copy of a Purchase and Sale Agreement signed by Parent on June 12, 2024.

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

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

TIMESHARES:

37. 2024033841

Opened: 7/15/2024

First Licensed: 4/4/2018

Expires: N/A

Type of License: Time Share Registration /Time Share Exempt

History: 2016 Consent Order for failure to timely remit refund

Complainants entered a purchase contract for a time-share with Respondent and allege that Respondent lied to them about the benefits of their ownership interest and the costs of the program. Complainants asked to be released from their contract and the Respondent disciplined for fraud.

Respondent confirmed that Complainants executed a purchase agreement in 2021 and deny that they were misled about the costs or benefits of the program. Respondent provided a copy of the contract, and the maintenance costs and fees are explicit and were acknowledged by the Complainants. The Respondent declined to cancel the contract and directed the Complainants to contact them directly so they could assist them in accessing the full benefits of their program.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

38. 2024036291

Opened: 7/29/2024

First Licensed: 4/20/1999

Expires: 12/31/2024

Type of License: Time Share Registration

History: None

Complainants entered a purchase contract for a time-share with Respondent in 2020. Complainants allege that they were coerced into purchasing a timeshare, misled regarding the costs of the program, and that the Respondent pushed them into additional purchases in 2021 and 2023. Complainants allege that they can no longer afford to pay on the contracts and ask to be released from their contracts. Complainants provided a copy of their most recently executed contract which was dated December 2023.

Respondent denied wrongdoing and alleged that they have tried to work with Complainants repeatedly over the years to address their concerns and noted that Complainants "upgraded" their initial purchase at least twice. Counsel reviewed the

December 2023 Contract for Purchase, and the ten (10) day rescission period is stated in bold above the Complainants' signature.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

CASES TO BE REPRESENTED

39. 2020072851

Opened: 9/22/2020

Unlicensed

History: None

The Complainant is a Florida resident, and the Respondent is an unlicensed Tennessee real estate firm and Florida corporation,

The Complainant alleges the Respondent is not licensed in Tennessee and is owned by a Florida corporation. The Complainant alleges the Respondent is offering brokerage services in Tennessee without a real estate license.

The Respondent did not provide a response to the complaint.

Recommendation: Authorize a formal hearing and authorize a civil penalty for \$1,000 for unlicensed real estate activity.

Commission Decision: The Commission accepted counsel's recommendation.

New Information: Complainant's attorney reached out to Counsel and stated Respondent company did not receive a copy of the initial complaint, but they operate a website solely to refer customers, if any, to Tennessee licensees. Respondent did not know who operated the company that was named as the unlicensed firm in the complaint and denied providing any real estate services. There is no proof that Respondent was operating as an unlicensed firm.

New Recommendation: Dismiss

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

40. 2021021211
Opened: 4/13/2021
Unlicensed
History: None

Complainant is a Tennessee citizen. Complainant alleges Respondent is operating a property management service without a license. Complainant provided a link to and copies of Respondent's website advertising property management services and short-term rentals. The website states "[W]e deal with tenant issues, collect rent, . . . and qualify new tenants." Respondent's website describes Respondent as "complete tenant management" including "marketing." The website includes listings for vacation rental homes for "as many nights as you want."

Respondent's attorney submitted a response stating that Respondent could not provide a response due to insufficient facts in the complaint. Respondent's attorney describes his response letter as "a general denial of the complaint."

Based on the information provided and Counsel's review of Respondent's website, Counsel recommends a civil penalty in the amount of \$1,000.00 for unlicensed activity in violation of Tenn. Code Ann. § 62-13-301 and/or violation of Tenn. Code Ann. § 62-13-104(b)(2) and (3)(B)(i) to the extent Respondent is operating a vacation lodging service.

Recommendation: Authorize a civil penalty in the amount of \$1,000.00 for unlicensed activity in violation of Tenn. Code Ann. § 62-13-301 and/or Tenn. Code Ann. § 62-13-104(b)(2) and (3)(B)(i).

Commission Decision: The Commission accepted counsel's recommendation.

New Information: Respondent's attorney indicated Respondent has apparently moved out of state and they have not had further contact with Respondent. There is no proof of ongoing activity.

New Recommendation: Close and flag.

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

41. 2020095441

Opened: 12/21/2020

First Licensed: 7/24/2017

Expires: 7/23/2025

Type of License: Principal Broker

History: None

Complainant is a Tennessee resident and licensed Tennessee Affiliate Broker and the Respondent is a licensed Tennessee Principal Broker and a New Jersey resident.

The Complainant alleges the Principal Broker had to reach out to the Respondent listing agent for a period of about three weeks with no response. The Complainant had a contract with one of the Respondent's listings and the Respondent would not respond to the Complainant. The Respondent's office phone number has an automated phone system with no return calls and only a voicemail. There is never an option to speak to a live person. The appraiser could not even get ahold of the Respondent to schedule the appraisal appointment. The Complainant alleges the Respondent needs to answer the telephone and alleges this is a New Jersey real estate agent who is listing property in Tennessee and needs to be investigated.

The Respondent provided a response and stated the Complainant failed to identify the property in question. The Respondent was not aware of a law or rule that required the Respondent to communicate and conduct business with the Complainant by telephone. The Complainant could have arranged for the appraiser to appraise the property and the Seller's agent was not responsible for scheduling the appraisal. The Respondent stated the Complainant failed to provide all the facts. On November 11, 2020, the Complainant contacted the Respondent. When the complaint was filed by the Complainant, the Complainant was able to reach the

Respondent. The listing was in closing and the Respondent responded as needed throughout the transaction.

Recommendation: Authorize a contested case proceeding and assess a civil penalty in the amount of \$1,000 for failure to exercise reasonable skill and care in violation of Tenn. Code Ann. § 62-13-403(1) and require the Respondent to take the Principal Broker Core Class within 180 days of the execution of the Consent Order with the class not count toward required Continuing Education for licensure.

Commission Decision: The Commission accepted counsel's recommendation.

New Information: Respondent's attorney stated the Seller instructed Respondent to have potential buyers contact the Seller directly and to send offers to Seller and copy Respondent's brokerage. A copy of the listing was provided and does state in the Private Remarks that Seller should be contacted for showings, questions and to send offers to Seller and to copy the Respondent brokerage. A phone number that is included elsewhere in the listing forwarded calls related to the listing directly to Seller. The Seller added a statement in support of Respondent, confirming Respondent acted according to their wishes and that while the property was listed, they communicated with Complainant's agent by email at least twenty-five times and spoke by phone at least fifty (50) times before Complainant closed on the property. Seller was unaware of any communication issues during the entirety of the transaction and would testify they did not have any complaints from Complainant's agent.

New Recommendation: Dismiss.

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

Aerial Carter

New Complaints:

42. 2024011981

Opened: 4/8/2024

First Licensed: 10/14/2016

Expires: 10/13/2024

Type of License: Affiliate Broker

History: None

Complainant is a Tennessee resident and buyer in a real estate transaction. Respondent is an Affiliate Broker. The Complainant alleges Respondent listed a property located for sale. After a verbal agreement, the Respondent sent a contract to the Complainant. They attempted to contact the title company where they had their earnest money and was told that there was no contract for the property. On February 5, 2024, they noticed that the same property was listed with a different realtor, who did not have knowledge that it was already under contract.

After multiple discussions, between the Seller, other agent, and prospective buyers, and the Respondent's Broker, they agreed that the Complainant's contract took priority and was able to close on the property. However, from the time that you received the contract, The Respondent was unresponsive.

The Respondent nor their principal broker provided a response. The letter was sent to the address on file with the Commission but was marked "Return to Sender." The complaint did not have any documents to review. Counsel reached out to the Complainant, Respondent, Respondent's Principal Broker, and the other Agent to get additional information.

Only the Complainant and Respondent provided additional information.

The Complainant provided text messages between them and the Respondent. The texts thread began around November 10, 2023. On November 15, 2023, a written offer was signed by the Complainant and sent to the seller. Two days later the

Complainant asked the Respondent to go forward with the full asking price and the Respondent confirmed. On November 20, 2023, the Complainant was told that the sellers accepted the offer. On November 22, 30, and January 26, the Complainant texted but didn't receive a response. It appears that the contract was signed by all parties on November 30, 2023, with a closing date of February 14, 2024. The Complainant also included the mutual release agreement, that was requested by the Complainant on December 1, 2023, but wasn't signed until February 6, 2024.

The Respondent confirmed the date that the contract was signed and the closing date. The Respondent stated that they thought they sent the Complainant's contract to the title company and notified the sellers. By the time they realized that they didn't, the property was listed with the other agent. The Respondent took responsibility for their mistake and said that they are not actively selling real estate. The Respondent offered to retire their license (as of the submission of this legal report, their license is still active).

Based upon all these facts, the Respondent failed to exercise reasonable skill and care, in violation of Tenn. Code Ann. §62-13-403; Failed to answer any questions that the client or advise the client about procedure and steps need to successfully close the transaction, in violation of Tenn. Code Ann. § 62-13-404(3)(A)(iii) and Tenn. Code Ann. § 62-13-404(3)(A)(iv), respectively. The Respondent went months without properly communicating with their client. Counsel recommends that this matter be discussed to determine if a civil penalty and/or revocation of the Respondent's license would be the best resolution.

Recommendation: Discuss.

Commission Decision: The Commission voted to revoke Respondent's license for violation of Tenn. Code Ann. §§ 62-13-404(3)(A)(iii) and (3)(A)(iv) and administratively open a complaint against Respondent's principal broker for failure to supervise.

**43. 2024028131
Opened: 6/10/2024**

First Licensed: 2/10/1997

Expires: 10/25/2026

Type of License: Principal Broker

History: 2015 Agreed Order for unlicensed branch office

Complainant was the listing agent in a prospective real estate transaction. The Respondent is a Principal Broker. The Complainant alleges that the Respondent's Affiliate was working as the buyer's agent. The Affiliate stated that their client wanted to terminate the contract because the buyer claimed that they "saw a drug deal." The Complainant stated that it wasn't a valid reason to terminate the deal. On the day of closing, the buyer sent documents to terminate the contract because the repairs. The Complainant reached out to the Respondent to determine why the contract was terminated and was told it was because of the drug deal. The complaint alleges that the Affiliate and Respondent lied and did not act in good faith or exercise reasonable skill and care.

The Respondent stated that the situation was out of their control. The Affiliate was a few days away from closing when the buyers observed a drug deal near the property. The buyers were told that it would be in their interest to close on the property then sell. The buyers retained an attorney and after receiving legal advice, the buyers stated they weren't continuing with the transaction because the repairs were not completed to their satisfaction. The Respondent stated that they don't have control over the buyer and had a duty to follow their instructions. The Affiliate communicated the reason for the termination based off the buyer's statements.

Based on the information provided, the contract was terminated because the buyers did not feel comfortable after seeing a drug deal near the property. The Affiliate has a duty to convey any potential consequences of terminating the contract and The Respondent has a duty to properly supervise their affiliates. Here, it appears that the Affiliate was following their client's instructions.

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

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

44. 2024025181

Opened: 6/10/2024

First Licensed: 8/10/2018

Expires: 8/9/2026

Type of License: Real Estate Firm

History: 2019 Consent Order for Advertising Violation

Complainant is a Tennessee resident and prospective buyers in a real estate transaction. The Respondent is a Real Estate Firm, and two affiliates represented the seller. The complaint alleges that three (3) days before closing, the Complainant was told that the seller couldn't come up with the \$7,500 that they agreed to bring to closing. The Complainant still transferred their portion and offered a lower purchase price; however, the seller didn't agree to the new price or provide the repair money they agreed on. Afterwards, the Respondent's firm didn't agree to release the Complainant's earnest money unless they signed a document stating that the deal was terminated because the Complainant couldn't secure financing.

The Respondent stated that the affiliate represented the seller in the transaction and acted as the listing agent. The Respondent stated that the earnest money was held by the title company. The buyer submitted a repair/replace agreement. The costs totaled \$7,500 and the seller offered to provide a credit, which the buyer accepted. The sellers were had the money, but the buyers wanted a personal check outside of closing. They tried to resolve the issue, but the parties couldn't agree on how to distribute the funds and the contract was terminated.

The complaint had copies of emails attached. The Respondent attached copies of emails, amendments, and counteroffers. Based on the information provided, the parties signed a repair/replacement agreement that states "Seller to provide buyer with \$7,500 in lieu of repairs provided in repair proposal per home inspection." Additionally, the Complainant submitted a rebuttal where they stated that the seller

was supposed to pay the money to them. It appears that there was a misunderstanding about how the money would be credited to them.

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

Recommendation: Dismiss.

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

45. 2024029731

Opened: 6/10/2024

First Licensed: 2/4/2021

Expires: 6/15/2025

Type of License: Real Estate Firm

History: None

This matter was administratively opened against the Respondent because the firm didn't respond to a request for records for an audit.

On April 1, 2024, the Commission sent the Respondent an email to inform them that they were randomly selected for an audit, and they had ten (10) days to respond. On April 15, 2024, another email was sent and informed the Respondent that they had five (5) days to respond. On May 2, 2024, the Respondent had not responded, and this matter was referred to legal.

The Respondent stated that notice was sent to an old email address, and they didn't see it until they received the complaint. The Respondent stated that their firm didn't handle any trust money deposits and they provided a waiver that they wouldn't hold trust money.

Under Tenn. Code Ann. § 62-13-312(d) the Commission may, examine and copy such books, accounts, documents, or records as are relevant to a determination of

whether a licensee has properly maintained and disbursed funds from escrow or trustee accounts. On June 13, 2023, the Respondent submitted an escrow waiver which was approved and still active.

Based upon all these facts, Counsel recommends this matter be resolved with a Letter of Warning to ensure that the Respondent keeps all records up to date.

Recommendation: Letter of Warning.

Commission Decision: The Commission accepted counsel's recommendation.

46. 2024030201
Opened: 6/17/2024
First Licensed: 1/26/2018
Expires: 1/25/2026
Type of License: Affiliate Broker
History: None

The Complainant is an out of state resident and was a prospective buyer in a real estate transaction. The Respondent is an Affiliate and acted as the listing agent. The Complainant alleges Respondent misrepresented the property when they listed it with a Tennessee address, but it was in Virginia. The complaint states that they lost money because of the deception.

The Respondent stated that they listed the property with the information given to them by the sellers. The sellers have used the Tennessee address and lived there for over thirty (30) years. In the description, they stated that the property was in Tennessee and Virginia. There were three (3) parcels of land which were included in the contract and conveyed to the buyer's agent. The Respondent denied engaging in any deception or providing misleading information.

Both parties included multiple documents including the listing, purchase agreement, and the appraisal. Based on the information provided, the appraisal was conducted and showed a Tennessee address. The property expanded over 15 acres a portion of the parcel extended over the state line. Additionally, the listing clearly stated that the property was in both states.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

47. 2024029261
Opened: 6/24/2024
First Licensed: 11/16/2016
Expires: 12/2/2024
Type of License: Principal Broker
History: None

This complaint was administratively opened. This complaint is connected to complaint number 202400991, which was presented during the May 9, 2024, legal report. In the initial complaint, an individual was advertising as a realtor even though they didn't have the proper credentials. The individual made multiple posts advertising as a realtor and was assessed a civil penalty of five thousand dollars (\$5,000.00) (or \$1,000.00 per post). The Respondent in this matter was listed as the Principal Broker.

The Respondent didn't provide a response, in violation of. Tenn. Code Ann. § 62-13-313.

Based on the information provided, the Respondent employed a person who was not a licensed broker or a licensed affiliate broker for performing as a real estate broker, in violation of Tenn. Code Ann. § 62-13-302.

Counsel recommends this Respondent be assessed a civil penalty of One Thousand Dollars (\$1,000.00) for employing an unlicensed individual in violation of Tenn. Code Ann. § 62-13-302 and assess a civil penalty of One Thousand Dollars (\$1,000.00) for failing to respond, in violation of Tenn. Code Ann. § 62-13-313.

Recommendation: Assess a Civil Penalty of One Thousand Dollars (\$1,000.00) for employing an unlicensed individual in violation of Tenn. Code Ann. § 62-13-302 and Assess a Civil Penalty of One Thousand Dollars (\$1,000.00) for failing to respond, in violation of Tenn. Code Ann. § 62-13-313.

Commission Decision: The Commission accepted counsel's recommendation.

48. 2024030661

Opened: 6/24/2024

First Licensed: 7/21/2011

Expires: 7/20/2025

Type of License: Real Estate Firm

History: 2016 Consent Order for failure to exercise reasonable skill and care

Complainant is a Tennessee resident. The Respondent is a Real Estate Firm. The Complainant alleges Respondent knowingly misrepresented the size and description of a property that was scheduled for auction. The complaint stated that the survey and description of the property included pictures of a barn and road frontage that belonged to them.

The Respondent stated that they launched an online auction using the information they had available. Shortly after initiating the auction, they were contacted by the Complainant who expressed their concerns. The Respondent explained that they would only sell what they were legally entitled to. They requested a new survey and updated the legal description.

Based on the information provided, the transaction was an auction. The Commission doesn't have authority over this matter. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

49. 2024029661

Opened: 7/1/2024

First Licensed: 9/17/2019

Expires: 9/16/2025

Type of License: Affiliate Broker

History: None

Complainant is a Tennessee resident. The Respondent is an Affiliate Broker. The Respondent represented them in the sale of their property and purchasing a new property. The Complainant alleges that the Respondent was unprofessional and made numerous mistakes. For the sale of the current house didn't have a professional photographer take the pictures, the listing had duplicate pictures, grammatical errors, and there were no pictures of the land. They asked to be released from the agreement. The Complainant continued the search for new property for the next two months with the Respondent representing them as buyers. The complaint alleges that the Respondent had multiple errors in the forms and disclosures, insisted on texting the other agents instead of submitting a formal offer. They were allowed to end the agreement and they continued with a different agent. The complaint claims that the Respondent costs them thousands of dollars and lost time.

Respondent stated the Complainant is their previous client and they denied all the allegations. For the home they listed, they stated that there were weather conditions that prevented some events. The photographers had other jobs. For the disclosure, it was ones that the Complainant was to fill out. Lastly, they stated that the property was overpriced and couldn't control showings. The other interaction occurred when the Complainant was purchasing property. The Complainant wanted to bargain to get furniture in the purchase. They stated that they are unable to remove or add amendments without getting consent from all parties and the Complainant requested things that were out of their control. The Respondent stated that they acted professionally and went beyond their contractual duty to the Complaint.

Based on the information provided, it appears that the Respondent fulfilled their duty. When the Respondent was acting as the Complainant's agent when they were selling, the professional photographers were scheduled but had to cancel due to weather. The Respondent provided pictures so the listing wouldn't be delayed. When the Respondent was acting as the buyer's agent, the disclosure was submitted by another party. Additionally, when the Complainant requested a release, the Respondent agreed.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

50. 2024031531

Opened: 7/1/2024

First Licensed: 10/12/2015

Expires: 3/29/2025

Type of License: Principal Broker

History: None

Complainant is a Tennessee resident. The Respondent is a Principal Broker. The Complainant stated that they contacted the Respondent about renting office space.

They stated that the Complainant was difficult to work with, so they tried to find a different space. After a month, they hired a realtor and had them reach out to the Respondent so they could see the property again. After they viewed the property, the Complainant submitted a letter of intent to rent the space. The Respondent rejected it. The Complainant alleges Respondent violated multiple articles under the code of ethics and standard practice. Most of the violations listed can be categorized as false/deceptive advertising, unprofessional conduct, unfair discrimination, and compensation.

The Respondent stated that on April 2, 2024, they previously showed the Complainant the rental space. On May 13, 2024, they received a text saying from the Complainant's agent stating that they had a potential client for the rental space. The next day, they were sent a letter of intent. After reviewing the letter, they noticed that the offer was too low, and the concessions requested were not favorable to their client. After the rejection was sent, the Respondent became aware that the Complainant was the person they showed the space to in April.

Based on the information provided, the parties didn't enter a binding contract. The transaction was for the rental of an office space which falls under the exemption under Tenn. Code Ann. §62-13-104. Additionally, Counsel does not believe the Commission has authority over this matter because the Commission has not adopted the Code of Ethics and Standards of Practice provided by the National Association of Realtors.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

51. 2024030461

Opened: 7/15/2024

First Licensed: 3/25/2021

Expires: 3/24/2025

Type of License: Affiliate Broker

History: None

REC-2024030461 (#51) and REC-2024037021 (#52) are related.

The complaint was referred to the Commission by a different government agency. The Complainant is a Tennessee resident. The Respondent is an Affiliate Broker. The complaint alleges that a firm attempted to collect a debt on behalf of a credit management company.

The Respondent didn't provide a response. The complaint was sent to the Respondent via certified mail, but no signature was present on the return receipt.

Based on the information provided, the Respondent wasn't mentioned in the complaint nor is the connection between the Respondent and the credit management company clear.

Based upon all these facts, Counsel recommends this matter be referred to the proper board/commission.

Recommendation: Assess the Respondent a Civil Penalty of One Thousand Dollars (\$1,000.00) for failing to respond, in violation of Tenn. Code Ann. § 62-13-313 and refer this matter to the Collection Service Board.

Commission Decision: The Commission accepted counsel's recommendation.

52. 2024037021

Opened: 8/20/2024

First Licensed: 3/25/2021

Expires: 3/24/2025

Type of License: Affiliate Broker
History: None

REC-2024030461 (#51) and REC-2024037021 (#52) are related.

Complainant is a Tennessee resident. The Respondent is an Affiliate Broker. The Complainant alleges that the Respondent presented themselves as a real estate agent and a contractor. They started working together around spring 2023. They were interested in getting into flipping properties. They loaned the Respondent \$50,000 for double the return but received nothing after it was sold. Then they loaned the Respondent for \$60,000 with the promise that they would get twice the amount after it was sold. Again, the Respondent didn't send any money.

The Respondent didn't provide a response. The complaint was sent to the Respondent via certified mail, but no signature was present on the return receipt.

Based on the information provided, the complaint alleges that the Respondent engaged in fraudulent behaviors by failing to return money after receiving funds from the Complainant to invest in properties.

Counsel finds the allegations concerning, however, since there is not conviction the Commission's authority is limited. Counsel recommends that this Respondent be assessed a Civil Penalty of One Thousand Dollars (\$1,000.00) for failing to respond, in violation of Tenn. Code Ann. § 62-13-313. Counsel also recommends that this matter be referred to the Contractors' board, based on allegations of performing construction without a valid license and refer this matter to the Tennessee Securities Division based off the allegations of acting as an investor.

Recommendation: Assess the Respondent a Civil Penalty of One Thousand Dollars (\$1,000.00) for failing to respond, in violation of Tenn. Code Ann. § 62-13-313. Counsel recommends this matter be referred to the Contractors' board and the Tennessee Securities Division.

Commission Decision: The Commission voted to revoke Respondent's license for violations of Tenn. Code Ann. §§ 62-13-313(a)(2) and 62-13-403(1), to refer this matter to the Contractor's board and to the Tennessee Securities division, and administratively open a complaint against Respondent's principal broker for failure to supervise.

53. 2024032091
Opened: 7/15/2024
First Licensed: 2/3/2005
Expires: 5/7/2026
Type of License: Principal Broker
History: None

Complainant is an out of state resident. The Respondent is a Principal Broker. The Complainant alleges that one of the Respondent's Affiliates failed to properly show them properties in their desired locations. The Respondent only showed one house and presented them with a Buyer's Representation Agreement (Agreement) after they made an offer. The transaction was not successful and asked to be released from the Agreement. The Affiliate and Respondent refused to release them without paying a fee.

The Respondent stated that they released the Complainant and attached the Agreement. The Complainant submitted a rebuttal and stated that they were no longer interested in pursuing this matter because they were released.

Based on the information provided, the Commission wouldn't have authority over this matter because it was a contract dispute. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

54. 2024032231

Opened: 7/15/2024

First Licensed: 8/28/2023

Expires: 8/27/2025

Type of License: Affiliate Broker

History: None

Complainant is a licensed real estate agent. The Respondent is an Affiliate Broker. The complaint alleges that they had listing agreement that was valid from March 2, 2024, to August. The Respondent listed the same property and removed their sign.

The Respondent and the Principal Broker submitted a response. The Respondent stated that on May 31, 2024, they met with the seller. They were told that the listing with the Complainant expired on June 1, 2024. The seller signed a Listing Agreement (Agreement) with their firm, and it was scheduled to go on the market six days later. They attempted to get the Complainant to sign a mutual release agreement, but the Complainant refused because they didn't agree to the termination. On June 6th the Complainant agreed to remove the listing, however it wasn't removed until June 10th. The Respondent's listing was entered on June 7th, but it was a clerical error and once they realized the issue, the duplicate listing was removed.

The Complainant submitted a rebuttal and stated that they scheduled a showing for June 6th and was informed that the yard sign was replaced even though it was still actively on the market.

Based on the information provided, it appears that the seller believed that their Agreement with the Complainant was over. The complaint didn't include the initial Agreement between the Complainant and the Respondent. There's not enough information to suggest that the Respondent intentionally communicated with a represented individual. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

55. 2024032461

Opened: 7/15/2024

First Licensed: 5/3/2022

Expires: 5/2/2026

Type of License: Affiliate Broker

History: None

Complainant is a Tennessee resident. Respondent is an Affiliate Broker. The Complainant alleges that they hired the Respondent to manage their rental property. The tenant was unreliable, and the Complainant fired the Respondent because they didn't fulfill their promise to be "no-nonsense." After they were terminated, the Respondent refused to return the house keys.

The Respondent stated that they were hired to manage two units for the Complainant. They did what they could to ensure that the tenant would be reliable by conducting screening reports. Once they became aware that the tenant did not pay rent, they follow state law and waited until the appropriate date to file for an eviction. For the return of the key, the Respondent stated that they were provided one (1) key for each unit. They duplicated the key and provided on to the tenant, they kept one, and the other was given to the Complainant. When the tenant was evicted, they didn't return their key, so the Respondent paid to rekey the locks. The keys were sent to the Complainant within 10 calendar days after their contract was terminated.

Based on the information provided, the Commission does not have authority over this matter because it involves property management and the Respondent is licensed as an Affiliate Broker, which falls under the exemption under Tenn. Code Ann. § 62-13-104.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

56. 2024032531

Opened: 7/15/2024

First Licensed: 5/6/2020

Expires: 5/5/2026

Type of License: Affiliate Broker

History: None

Complainant is a Tennessee resident and homeowner. The Respondent is an Affiliate Broker and acted as the Complainant's agent. The Complainant stated that they hired the Respondent to find a property when they were an out of state resident and moving to Tennessee. The complaint alleges that the Respondent didn't fulfil their duties to them when they didn't disclose damage to the property. It was later discovered that there was water damage, mold, and eventually a fire occurred due to exposed wires. Various pictures of the property were attached.

The Respondent stated that the Complainant viewed the property three times. The Complainant was present two out of the three times. They denied misrepresenting the property. Two weeks before closing, the seller's agent asked if the closing date could be changed to the day before because the agent couldn't be there on the original date. The Complainant refused to change the date so it was arranged that the seller would close the day before and the Buyer on the planned date. The inspection report was shared with the Complainant and only requested a small repair to the water heater. They went over the other parts of the report and when asked about the issue with the electrical section, they were told that the Complainant was a "master electrician" and would handle it. The final walkthrough was completed, and the Complainant signed off. A copy of the disclosure form, buyer's final inspection form, disclaimer notice, and confirmation of agency status were included.

The Complainant submitted a rebuttal and stated that the Respondent didn't find a property within 45 minutes of their family member, didn't state that the floors were uneven or that there were issues with beams. The rebuttal also stated that during the final walkthrough they were advised to sign even though the property had a lot of damage that was beyond their financial and physical ability to repair. They stated that they have hired an attorney.

Based on the information provided, the Complainant signed off on the property's condition and location. The main concerns seem to be about the inspection, which is beyond the Respondent's expertise.

Counsel recommends this matter be dismissed and refer this matter to the Home Inspector Licensing Program.

Recommendation: Dismiss and refer this matter to the Home Inspector Licensing Program.

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

57. 2024033131

Opened: 7/15/2024

First Licensed: 8/9/2011

Expires: 8/8/2025

Type of License: Affiliate Broker

History: 2015 Consent Order for Advertising Violation

Complainant is a Tennessee resident and prospective homebuyer. Respondent is an Affiliate Broker and acted as the buyer's agent. The Complainant stated that they related to the Respondent via a referral service. The parties entered a Representation Agreement on May 7, 2024. They stated that the Respondent was unprofessional and went on vacation, so they were unrepresented. They decided to lease instead of purchase and requested a release on May 27, 2024, but the Respondent refused to let them out of the agreement. The complainant had screenshots of conversations between the parties.

The Respondent stated that they spent numerous hours assisting the Complainant. They wrote contracts, discussed the process toured properties, etc. They took a vacation for a long weekend. The Complainant requested a tour during that time, and they stated that they could assist with a tour after they returned. When the Complainant found out they would be on vacation, they asked to be released. They declined because they were on vacation. Once they returned there was a lot of back and forth and their broker released them on June 12, 2024.

The Complainant submitted a rebuttal and reiterated what they stated in their complaint. They did admit that they asked for the release while the Respondent was on vacation, and it was granted. They also stated that they felt bullied to continue with a failed contract.

Based off the text messages submitted, the Respondent had a valid Agreement with the Complainant until November 30, 2024. They went over the terms of what that meant and any commission that would be owed to them if the Complainant chose to purchase a home through another agent while under contract with them. They clarified that that if the Complainant chose to lease, the Complainant wouldn't be responsible to pay a commission. There was also a conversation about asking to tour a property and the Respondent stated that they were on vacation. The vacation appears to have been from June 6th -11th. It should be noted that most of the messages submitted didn't have dates, so the timeline is not clear and only show portions of various conversions. The release was sent and signed by the Complainant and didn't owe any money to the Respondent. The text messages show that the Respondent was responsive, excluding the time they were on vacation.

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

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

58. 2024033411
Opened: 7/15/2024
First Licensed: 10/12/2018
Expires: 10/11/2024
Type of License: Affiliate Broker
History: None

Complainant is a Tennessee resident and a prospective buyer in a real estate transaction. The Respondent is an Affiliate Broker and acted as the seller's agent. The complaint stated that they submitted an offer on a property listed by the Respondent via their agent. The Complainant's agent was informed that there was another offer. After speaking with their client, the Complainant's offer to provide \$200,000 down with no contingencies and to close within 30 days was denied even though pre-approval was obtained. The Complainant alleges Respondent advised their client to take an offer that was less than what they submitted.

The Respondent and their Principal Broker submitted responses. The Respondent stated that after receiving multiple offers, they presented them to their client and went over the details. The Complainant's offer did not state that there were no contingencies, and they were financing through a conventional loan. The other offer had no appraisal contingency and was a cash offer. The client decided that the other offer was in their best interest although the price was lower. The Respondent contacted the Complainant's agent and let them know that the offer was rejected. The Respondent submitted the offer received from the Complainant. The Principal Broker provided additional documents.

Based on the information provided, the Respondent is not in violation. The Complainant didn't check the box that indicated that there would be no contingencies. The Respondent presented the offers as received. The seller has the final decision when accepting or rejecting offers and the Complainant is not entitled to purchase property because they submitted a higher offer.

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

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

59. 2024033871

Opened: 7/15/2024

First Licensed: 2/25/2022

Expires: 2/24/2026

Type of License: Affiliate Broker

History: None

The Complainant is an out of state resident and was a prospective buyer in a real estate transaction. The Respondent is an Affiliate Broker. The complaint alleges that the Complainant was interested in purchasing a home. Since they were from out of state, the Respondent did a two-hour walkthrough, and everything seemed fine. On June 8, 2024, the Respondent advised them to increase the offer above asking price because there were multiple offers. The offer was accepted. The Respondent also advised that they offer a non-refundable earnest money deposit and the following stipulation: "Buyers to waive right to request minor single item repairs during inspection valuing less than \$1,000. Contingent upon successful viewing of home by buyers on Wednesday June 12th. EMD to be nonrefundable should buyers decide to terminate on Wednesday June 12th." After they saw the property in person, the Complainant was no longer interested. The Respondent told them that they still needed to deposit the earnest money. The Respondent showed another property, and they made an offer at full asking price. However, after the offer was made, they viewed the property and decided to not go forward with the second property. The Complainant alleges that the Respondent failed to properly advise them when they submitted offers and felt pressured by the Respondent.

The Respondent stated that they work with many out of state client and they are specific and as honest as possible since the clients usually can't see the whole picture and surroundings in a video. For the first property, they received a text message asking to view the home. They were told by the listing agent that they received a lot of interest, and the price was strategically priced below market value to increase the

likelihood of multiple offers. The Respondent communicated this to the Complainant and that the properties in that area move quickly. They went over the pros and cons for offering a non-refundable earnest money deposit. The Respondent also advised the increasing the offer based off similar properties shown. After the Complainant backed out of the first offer, they were still required to pay based off the contract. The second property was also shown on video but after submitting an offer, the Complainant backed out because of the steepness. The Respondent stated that prior to an offer, they told the Complainant that there was a smell in the basement and some of the rooms looked different than what was shown in the listing pictures. They also discussed the steepness in the second property. The Respondent included multiple documents including text messages between the parties, the offers, and disclosures.

The text messages show that the Respondent went through the process with the Complainant and wanted to change the language from a non-refundable earnest money deposit to refundable. The seller had that language, but the Complainant instructed them to keep it. The Respondent explained that since it's nonrefundable, it is more of a risk to them. The response from the Complainant was "worst case we lose \$3,000." They did advise going above asking price due to the market and similar properties that were sold. The Respondent suggested that they include the language regarding waiving minor issues that were less than \$1,000 to show the seller that they weren't concerned with minor problems while still reserving the right to negotiate if there were major issues. The Complainant agreed to add the language. For the second house, the messages indicate that the Respondent advised the Complainant of issues they saw, specifically the steepness of the property. The Complainant backed out because "the steepness was more severe than we imagined" and they acknowledged that the Respondent mentioned it.

Based on the information provided, the Respondent did their due diligence in advising their client and the Complainant was actively participating in the process. Counsel recommends that this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

60. 2024035141

Opened: 7/15/2024

First Licensed: 3/1/2016

Expires: 8/30/2026

Type of License: Real Estate Broker

History: None

Complainant is a licensed real estate professional. The Respondent is a Real Estate Broker. The Complainant alleges that the Respondent made slanderous remarks about the Complainant and an active listing in a social media post. They stated that the Respondent's comments hurt the reputation of the Complainant and by associated the community, leading to decreased sales and income. The complaint included a screenshot of the comment.

The Respondent denied making any slanderous remarks and only pointed out verifiable facts and addressed potential misrepresentations within the Complainant's post.

The Complainant's post was made on social media and the Respondent made a comment. The full post wasn't included but it appears that the Respondent was commenting on a link shared by the Complainant that was advertising for their new community. The Respondent commented on the length of time on the market which was over 300 days then relisted. The Respondent also commented that amenities that were advertised were not at that property. The Complainant stated that the property offered was appraised at \$465,000 prior to construction, and the Respondent noted that the claim raised concerns about the current market value and potentially overpricing.

Based on the information provided, the Complainant is alleging potential harm based off comments made by the Respondent. There is no indication that the Respondent

specifically disparaged the Complainant. The comment seems to be directed at inconsistencies they observed with the listing for a specific community.

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

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

61. 2024035221

Opened: 7/15/2024

First Licensed: 2/23/2005

Expires: 6/2/2026

Type of License: Principal Broker

History: None

Complainant is a Tennessee resident and prospective seller in a real estate transaction. The Respondent is a Principal Broker. The Complainant alleges that the Respondent didn't show their house properly but won't release agree to sign the mutual release agreement unless they pay a fee. The complaint alleges that they sent the Respondent over 30 leads and the Respondent did not respond or communicate with them.

The Respondent stated that they have a history with the Complainant for over two years. They initially listed the property in 2022 but the Complainant changed their mind, so they agreed to release them, at no charge. Since 2022, the parties have corresponded, and the Complainant has had difficulty working with other realtors. In April 2024, they tried to assist in selling the property. Prior to entering an agreement, they informed the Complainant that they would be not agreeing to sign a release without a charge. They requested a commitment of six months. The representation agreement was signed by both parties. The Respondent claimed that the Complainant insisted on marketing their own property on social media, but the photos were not accurate representations. When the Complainant sent information, they would forward name with contact numbers or just send the name of anyone who

commented on the post. Additionally, the Complainant often showed the property at will. The Respondent noted that the property has been listed at least eight times over the past two years.

After receiving the response, the Complainant reached out to withdraw their complaint because they didn't keep the messages showing that they provided at least 30 leads to the Respondent. They also retracted their statement that the Respondent didn't reach out to potential buyers. The Complainant was informed that the complaint can't be withdrawn or cancelled after it's filed.

Counsel finds Complainant's allegations that the Respondent didn't do their due diligence to be unfounded. The parties had a valid representation agreement, signed by the Complainant, explaining the terms. If there is a dispute regarding the contract, it is a matter suited for civil court.

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

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

62. 2024035271
Opened: 7/15/2024
First Licensed: 5/23/2022
Expires: 5/22/2026
Type of License: Affiliate Broker
History: None

REC-2024035271 (#62) and REC-2024034111 (#63) are related and contain identical allegations.

Complainant is a Tennessee resident and buyer in a real estate transaction. The Respondent is an Affiliate Broker. The Complainant alleges that the Respondent failed to disclose a personal familial connection with the seller, that they lived in the property prior to purchasing, and that there was an active lawsuit and construction. The complaint had the HOA documents and purchase agreement attached.

The Respondent denied all the allegations. They stated that the Complainant was aware of that the seller was related to the Respondent. It was disclosed in the personal interest disclosure, which was signed by the parties. Next, the Complainant verbally disclosed that they lived in the unit, but no the seller hadn't occupied the property in the past three years. A property condition exemption was signed by the parties. The exemption stated that the proper owner has not resided on the property at any time within three years prior to the transfer date. Lastly, the Respondent stated that the Complainant was aware of the ongoing litigation and construction. An email was sent to the Complainant on October 5, 2023, which included all the HOA documents which included the disclosure of the litigation and construction. The next day, the property was under contract. The response had the HOA documents, purchase agreement, property disclosure, personal interest disclosure, and confirmation of status attached. It should be noted that the confirmation of status paperwork designates the Respondent as the transaction broker or facilitator, not an agent for either party.

Counsel finds Complainant's allegations related to the Respondent's failure to disclose material information to be unfounded. The claim regarding the litigation was refuted by the disclosure included in the HOA documents. Similarly, the other disclosures were refuted with signed documents signed by the Complainant.

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

Recommendation: Dismiss

Commission Decision: The Commission accepted counsel's recommendation.

63. 2024034111
Opened: 7/29/2024
First Licensed: 5/23/2022
Expires: 5/22/2026
Type of License: Affiliate Broker
History: None

REC-2024035271 (#62) and REC-2024034111 (#63) are related and contain identical allegations.

Complainant is a Tennessee resident and buyer in a real estate transaction. The Respondent is an Affiliate Broker. The Complainant alleges that the Respondent failed to disclose a personal familial connection with the seller, that they lived in the property prior to purchasing, and that there was an active lawsuit and construction. The complaint had the HOA documents and purchase agreement attached.

The Respondent denied all the allegations. They stated that the Complainant was aware of that the seller was related to the Respondent. It was disclosed in the personal interest disclosure, which was signed by the parties. Next, the Complainant verbally disclosed that they lived in the unit, but no the seller hadn't occupied the property in the past three years. A property condition exemption was signed by the parties. The exemption stated that the proper owner has not resided on the property at any time within three years prior to the transfer date. Lastly, the Respondent stated that the Complainant was aware of the ongoing litigation and construction. An email was sent to the Complainant on October 5, 2023, which included all the HOA documents which included the disclosure of the litigation and construction. The next day, the property was under contract. The response had the HOA documents, purchase agreement, property disclosure, personal interest disclosure, and confirmation of status attached. It should be noted that the confirmation of status paperwork designates the Respondent as the transaction broker or facilitator, not an agent for either party.

Counsel finds Complainant's allegations related to the Respondent's failure to disclose material information to be unfounded. The claim regarding the litigation was refuted by the disclosure included in the HOA documents. Similarly, the other disclosures were refuted with signed documents signed by the Complainant.

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

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

64. 2024031781

Opened: 7/15/2024

First Licensed: 10/5/2023

Expires: 10/4/2025

Type of License: Real Estate Firm

History: None

Complainant is a licensed real estate professional. The Respondent is a Real Estate Firm. The Complainant worked for the Respondent and closed on a transaction. The complaint alleges that the Respondent has not provided their commission.

The Respondent provided a timeline of events. In summary, the Complainant joined the Respondent's firm as an independent contractor. The Complainant prepared a representation agreement, but it was never turned into the Respondent. Prior to closing, the Complainant requested that their license be released so they could go to another firm.

Based on the information provided, the complaint is about a commission dispute. Under Tenn. Comp. R. & Regs. 1260-02-.02, the Commission doesn't intervene in the settlement of debts or commission disputes between firms, brokers and/or affiliates.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

65. 2024036071

Opened: 7/22/2024

First Licensed: 3/10/2017

Expires: 10/11/2026

Type of License: Principal Broker

History: None

The Complainant is a Tennessee resident and prospective buyer in a real estate transaction. The Respondent is a Principal Broker. The complaint alleges that the seller marked the property as not in a Planned Unit Development (PUD). However, before closing they discovered that it was a PUD property. They requested the return of their earnest money along with the money they paid for the inspections (termite, fireplace, radon, and home) credit reports, and appraisal.

The Respondent stated that the seller inherited the property and answered the disclosure to the best of their ability. After the inaccuracy was discovered, the disclosures were updated. Additionally, all their research indicated that the property was not an active PUD property. After the contract was terminated, the earnest money was returned.

The Complainant submitted a rebuttal and stated that the earnest money was returned but they would like the remaining costs (inspections, credit reports, appraisals) to be paid by the Respondent.

Based on the information provided, the misrepresentation was not intentional and corrective action was taken once the error was discovered. Additionally, the Commission does not have the authority to require the Respondent to pay the

Complainant they believed is owed to them and would be better suited for civil court. It should be noted that the fees requested are typically non-refundable if the contract is terminated.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

66. 2024037561
Opened: 7/22/2024
First Licensed: 9/15/2023
Expires: 9/14/2025
Type of License: Affiliate Broker
History: None

Complainant is a Tennessee resident and homebuyer. The Respondent is an Affiliate Broker. The Complainant alleges that the Respondent failed to disclose a personal relationship with the builder or the construction issues with the property.

The Respondent denied the allegations. The Respondent was the agent for the seller/builder and the relationship was disclosed to all parties via a personal interest disclosure and consent form. The form was signed by all parties. Additionally, the property condition exemption form was signed by all parties which didn't require a disclosure because it was the first transfer of a new construction and a builder's warranty was provided to the Complainant. An update to the condition disclosure was signed by all parties that noted changes to the report and stated that swell drain needed to be added along with other repairs made per home inspection report.

Based on the information provided, the Respondent properly disclosed their personal interest, and the property condition disclosure was not required because it was a first-time transfer.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

67. 2024033351
Opened: 7/22/2024
Unlicensed
History: None

Complainant is a Tennessee resident. The Respondent is unlicensed. The Complainant alleges that the Respondent raised the rent without a 60-day notice or provide a move out inspection within 30 days of moving out.

The Respondent did not submit a response. The certified mail came back with a signature.

Based on the information provided, the Respondent is engaged in unlicensed activity. There is no indication that they are the owner of the rental property, they are not working under a broker, and do not have the correct firm license to conduct property management services.

Based upon all these facts, Counsel recommends this Respondent be assessed a civil penalty of One Thousand Dollars (\$1,000.00) for engaging in unlicensed activity in violation of Tenn. Code Ann. § 62-13-301.

Recommendation: Assess a Civil Penalty of One Thousand Dollars (\$1,000.00) for engaging in unlicensed activity in violation of Tenn. Code Ann. § 62-13-301.

Commission Decision: The Commission accepted counsel's recommendation.

68. 2024036191

Opened: 7/22/2024

First Licensed: 5/25/2016

Expires: 5/24/2026

Type of License: Real Estate Firm

History: None

REC-2024036191 (#68) and REC-2024036201 (#69) are related and contain identical allegations.

Complainant is a Tennessee resident licensed and homebuyer. The Respondent is a Real Estate Firm. The Complainant alleges that an Affiliate with the Respondent's firm misrepresented the boundary lines for a listing. The Affiliate acted as the Respondent's agent. The Complainant stated that they knew from the beginning that that picture was fraudulent, but after they moved in, they discovered that half their yard was actually someone else's property. The Affiliate told them that they couldn't do anything about this issue. The complaint alleges that the Affiliate is complicit in make the misrepresentation regarding the property line. A picture of the property with boundary lines was attached to the complaint.

The Affiliate stated that the property was a foreclosure. After the Complainant made an offer, there property was taken down to determine if the seller would list the 17.09 acres that's listed on the tax records or just the 7.8 acres that was set for foreclosure. The Complainant was aware of the entire situation. The response had multiple documents attached including the sale agreement and the listing.

The property was sold "as is" with the seller making no guarantees on the condition. The Complainant signed multiple disclosures acknowledging that the property was sold as is.

Based on the information provided, it appears that the Complainant believed that they were receiving more land. However, they didn't confirm the boundary lines even though they believed the listing had a fake picture. The Affiliate did their duty to inform the Complainant what type of property they were purchasing and the limited protections.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

69. 2024036201

Opened: 7/22/2024

First Licensed: 3/10/2017

Expires: 3/9/2025

Type of License: Real Estate Firm

History: None

REC-2024036191 (#68) and REC-2024036201 (#69) are related and contain identical allegations.

Complainant is a Tennessee resident licensed and homebuyer. The Respondent is a Real Estate Firm. The Complainant alleges that an Affiliate with the Respondent's firm misrepresented the boundary lines for a listing. The Affiliate acted as the listing agent. The Complainant stated that they knew from the beginning that that picture was fraudulent, but after they moved in, they discovered that half their yard was actually someone else's property. The Affiliate told them that they couldn't do anything about this issue. The complaint alleges that the Affiliate is complicit in make the misrepresentation regarding the property line. A picture of the property with boundary lines was attached to the complaint.

The Affiliate stated that the property was a foreclosure. They stated they have never met or talked with the Complainant. A disclaimer was signed, and they really don't know what the complaint is about or what the issue is.

The property was sold "as is" with the seller making no guarantees on the condition. The Complainant signed multiple disclosures acknowledging that the property was sold as is.

Based on the information provided, it appears that the Complainant believed that they were receiving more land. However, they didn't confirm the boundary lines even though they believed the listing had a fake picture.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

70. 2024033371
Opened: 7/22/2024
Unlicensed
History: None

REC-2024033371 (#70) and REC-2024033391 (#71) are related and contain identical allegations.

This complaint was administratively opened against the Respondent. This matter is connected to case number 2024003751 which was presented during the April 2024 legal report. The original complaint was filed on or about January 19, 2024. The Respondent was assessed a civil penalty of One Thousand Dollars (\$1,000.00) and it was recommended that cases be opened against the other individuals engaged in unlicensed activity.

The Complainant alleges Respondent and two others engaged in unlicensed activity by soliciting property management services for short term rentals without the proper license. The complaint had a copy of the advertisement attached.

The Respondent submitted a response asking who they needed to speak with to resolve this matter.

Counsel reviewed the attached document. Based on the information provided, the Respondent was engaged in unlicensed activity when they solicited their services as a property management group for short term rentals without having the proper license. Since the original complaint, the Respondent is now listed as an active designated agent for vacation lodge services.

Counsel recommends this matter be the Respondent be assessed a civil penalty in the amount of One Thousand Dollars (\$1,000) for a violation of Tenn Code Ann. §62-13-301 for engaging in unlicensed activity on or around January 19, 2024.

Recommendation: Assess a One Thousand Dollar (\$1,000) civil penalty for violation of Tenn Code Ann. § 62-13-301.

Commission Decision: The Commission accepted counsel's recommendation.

71. 2024033391
Opened: 7/22/2024
Unlicensed
History: None

REC-2024033371 (#70) and REC-2024033391 (#71) are related and contain identical allegations.

This complaint was administratively opened against the Respondent. This matter is connected to case number 2024003751 which was presented during the April 2024 legal report. The original complaint was filed on or about January 19, 2024. The Respondent was assessed a civil penalty of One Thousand Dollars (\$1,000.00) and it was recommended that cases be opened against the other individuals engaged in unlicensed activity.

The Complainant alleges Respondent and two others engaged in unlicensed activity by soliciting property management services for short term rentals without the proper license. The complaint had a copy of the advertisement attached.

The Respondent did not submit a response.

Counsel reviewed the attached document. Based on the information provided, the Respondent advertised as a “director of marketing.” It does not appear that the Respondent was offering their services as a real estate professional. They advertise their skills in utilizing social media to boost bookings and guest experience. Counsel recommends that this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel’s recommendation.

72. 2024036111

Opened: 7/29/2024

First Licensed: 9/15/2015

Expires: 9/14/2025

Type of License: Affiliate Broker

History: None

The Complainant is anonymous. The Respondent is an Affiliate Broker. The Complainant alleges Respondent is in violation of the advertising rules because they did not include an office number on their website or social media profiles. The complaint had multiple screenshots attached. The first three were from the Respondent's brokerage website, the fourth was from a team page on social media and the fifth was of the Respondent's business page on social media.

The Respondent stated that all the advertising violations have been corrected. The response attached screenshots of the corrected advertising violations.

Based on the information provided and the Respondent's admission, three advertising violations occurred. The first on the brokerage page, the second from the team social media page, and the third, from the Respondent's business page. Counsel recommends this matter be assessed a One-Hundred- and Fifty-Dollar (\$150.00) civil penalty per violation.

Recommendation: Assess the Respondent with a Civil Penalty of One Hundred Fifty Dollar (\$150.00) for failing to include an office number on their brokerage website, in violation of Tenn. Comp. R. & Regs. 1260-02-.12; Assess the Respondent with a Civil Penalty of One-Hundred- and Fifty-Dollar (\$150.00) for failing to include an office number on their realty team page on social media, in violation of Tenn. Comp. R. & Regs. 1260-02-.12; Assess the Respondent with a Civil Penalty of One Hundred Fifty Dollar (\$150.00) for failing to include an office number on their business page on social media, in violation of Tenn. Comp. R. & Regs. 1260-02-.12

Commission Decision: The Commission accepted counsel's recommendation.

**73. 2024036181
Opened: 7/29/2024**

First Licensed: 9/26/2005

Expires: 10/17/2025

Type of License: Real Estate Broker

History: 2024 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance

Complainant is a licensed real estate professional. The Respondent is a Real Estate Broker. The Complainant alleges that the Respondent violated the advertising rules. First, they advertised as a Principal Broker or a firm when it's the Complainant's role. Next, the Respondent didn't have an office phone number listed on their website. The complaint included a screenshot of the Respondent's webpage and social media page.

The Respondent stated that they are a co-owner of a company that has multiple locations. They were listed as the Principal Broker in Location 1 until that office was closed in 2023. The Complainant was hired as the Principal Broker for Location 2. When the Respondent transferred back to Location 2, they forgot to change their title from Principal Broker to Broker. For the advertising violation, the Respondent stated that they forgot to put their office number under their picture. While they were reviewing the website, they also noticed that the footer was not displayed on their website. The footer was supposed to include the office address and number. This has been corrected.

Based on the information provided, Counsel did not see a violation on the Respondent's social media page. However, the website didn't include the office phone number, in violation of Tenn. Comp. R. & Regs. 1260-02-.12. Additionally, when the Respondent was listed as a Principal Broker, it could be misleading especially since the Principal Broker is a different person, in violation of Tenn. Comp. R. & Regs. 1260-02-.12.

Recommendation: Assess the Respondent a Civil Penalty of One Hundred Fifty Dollar (\$150.00) for failing to include an office number on their website, in

violation of Tenn. Comp. R. & Regs. 1260-02-.12; Assess the Respondent a Civil Penalty of One Hundred Fifty Dollar (\$150.00) for engaging in misleading advertising when they present themselves as a Principal Broker, in violation of Tenn. Comp. R. & Regs. 1260-02-.12.

Commission Decision: The Commission accepted counsel's recommendation.

74. 2024041001

Opened: 8/5/2024

First Licensed: 2/8/2008

Expires: 10/6/2025

Type of License: Principal Broker

History: 2016 Consent Order for Advertising Violation

Complainant is a Tennessee resident and homeowner. The Respondent is a Principal Broker. The Respondent was hired to manage the Complainant's property. The Complainant alleges that the Respondent failed in their duties but not collected rent from a tenant for 22 days.

The Respondent stated that they notified the Complainant that the tenant paid the late fees and rent and as soon as it cleared the company account, they would send the money. The funds didn't clear. They stated that they can't pay if there's no money. After several discussions, the Respondent notified the Complainant and the tenant that they would no longer be serving as the property manager.

Based on the information provided, the Commission does not have authority over this matter because it involves property management and the Respondent is licensed as a Principal Broker, which falls under the exemption under Tenn. Code Ann. § 62-13-104.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

75. 2024039851
Opened: 8/5/2024
First Licensed: 9/7/2022
Expires: 9/6/2026
Type of License: Real Estate Firm
History: None

Complainant is a licensed real estate professional. The Respondent is a Real Estate Firm. The Complainant stated that they worked for the firm and was released. While working, they noticed that the firm took additional funds from their check. When they were released, they didn't have warning and lost their access to Dotloop. The complaint alleges that the Respondent owes them money and terminated them without a reason.

The Principal Broker submitted a response. They stated that the allegations lack merit and context. The Complainant was released because there were various situations where their conduct came into question. This included situations of unprofessionalism, commission disputes with other agents, and receiving a cash tip for \$500 from a client. They reached out to Dotloop to make sure the Complainant still had access. The Principal Broker denied taking additional money from the Complainant. The additional fees likely came from the referral service that the Complainant used, who charges an additional amount at closing.

Based on the information provided, this complaint is about money that the Complainant believes is owed to them. Under Tenn. Comp. R. & Regs. 1260-02-.02, the Commission doesn't intervene in the settlement of debts or commission disputes between firms, brokers and/or affiliates.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

76. 2024034901

Opened: 8/5/2024

First Licensed: 8/27/2019

Expires: 8/26/2023 (Expired)

Type of License: Acquisition Agent License

History: None

The Complainant is a licensed real estate professional. The complaint alleges that the Respondent has been acting as a manager/supervisor without a license. The Respondent has booked timeshare tours and been paid on timeshare proceeds without being licensed.

Respondent did not provide a response. However, the initial letter and the past due letter went to an old address on file.

Counsel reviewed the Respondent's CORE account. They had three licenses. One was an acquisition agent license that expired in 2023. The Respondent has a different

acquisition agent license that's active, and the third is an active timeshare salesperson license.

Counsel finds Complainant's allegations related to unlicensed activity to be unfounded.

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

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

77. 2024039351
Opened: 8/12/2024
First Licensed: 10/9/2020
Expires: 10/8/2024
Type of License: Affiliate Broker
History: None

REC-2024039351 (#77), REC-2024039511 (#78) and REC-2024041211 (#79) are related and contain the similar allegations.

The complaint was filed by a family member (ex-spouse) of the seller. The Respondent is an Affiliate Broker. The Respondent represented the seller in a real estate transaction. The complaint alleges that the seller has multiple mental health and substance use problems. The Complainant alleges that the Respondent assisted the seller in listing the property despite a lien being on the property. There were also allegations that the Respondent helped the seller evade an active warrant by buying a plane ticket, a new phone, clothing, and other items then dropping the seller off at the airport.

The Respondent denied all allegations. They stated that the listing agreement didn't include them purchasing anything for the seller such as clothing, plane tickets, or a new phone. The Respondent stated that the seller was entitled to sell the property since they inherited it. The Respondent included multiple documents including the affidavit of heirship, the listing agreement, and various texts of anonymous individuals harassing them due to the sale. The seller informed the closing title attorney of all outstanding liens and judgments on the property. When closing happens, the respective liens will be settled. The Respondent also denied that the seller had any mental health or substance issues that they were aware of.

Based upon all these facts and the supporting documents the seller was the sole owner and had the right to sell the property. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

78. 2024039511
Opened: 8/12/2024
First Licensed: 10/9/2020
Expires: 10/8/2024
Type of License: Affiliate Broker
History: None

REC-2024039351 (#77), REC-2024039511 (#78), and REC-2024041211 (#79) are related and contain the similar allegations.

The complaint was filed by a family member of the seller. The Respondent is an Affiliate Broker. The Respondent represented the seller in a real estate transaction. The complaint alleges that the seller has multiple mental health and substance use problems. The Complainant alleges that the Respondent assisted the seller in listing

the property and is trying to scam the property from the seller's family. The complaint also stated that the Respondent was acting like the property was theirs when they didn't have a title or contract. There were also allegations that the Respondent is hiding the seller in their house and is engaging in fraudulent deals by doing "off record deals." The Complainant included videos of the Respondent selling items within the property.

The Respondent denied all allegations. The Respondent stated that the seller was entitled to sell the property since they inherited it. They stated that they had a contract to sell the items inside the home as well. The Respondent included multiple documents including the affidavit of heirship, the listing agreement, and various texts of anonymous individuals harassing them due to the sale. The seller informed the closing title attorney of all outstanding liens and judgments on the property. When closing happens, the respective liens will be settled. The Respondent also denied that the seller had any mental health or substance issues that they were aware of.

Based upon all these facts and the supporting documents the seller was the sole owner and had the right to sell the property. A contract existed between the Respondent and the seller. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

79. 2024041211
Opened: 8/12/2024
First Licensed: 10/9/2020
Expires: 10/8/2024
Type of License: Affiliate Broker
History: None

REC-2024039351 (#77), REC-2024039511 (#78), and REC-2024041211 (#79) are related and contain the similar allegations.

The complaint was filed anonymously. The Respondent is an Affiliate Broker. The Respondent represented the seller in a real estate transaction. The complaint alleges that the seller has multiple mental health and substance use problems and the Respondent took advantage of this situation. The Complainant alleges that the Respondent helped the seller evade an active warrant by buying a plane ticket, a new phone, clothing, and other items then dropping the seller off at the airport. They claimed that the Respondent paid for all of this with their credit card. There were also allegations that the Respondent ran power cords from their house to the seller's.

The Respondent denied all allegations. They stated that the listing agreement didn't include them purchasing anything for the seller such as clothing, plane tickets, or a new phone. The Respondent stated that the seller was entitled to sell the property since they inherited it. The Respondent included multiple documents including the affidavit of heirship, the listing agreement, and various texts of anonymous individuals harassing them due to the sale. The seller informed the closing title attorney of all outstanding liens and judgments on the property. When closing happens, the respective liens will be settled. The Respondent also denied that the seller had any mental health or substance issues that they were aware of.

Based upon all these facts and the supporting documents the seller was the sole owner and had the right to sell the property. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

80. 2024040811

Opened: 8/12/2024

First Licensed: 10/18/2017

Expires: 12/9/2024

Type of License: Principal Broker

History: None

The Complainant is a licensed real estate professional. The Respondent is a Principal Broker. The complaint stated that their client received an offer to purchase their property even though they had a current offer, and the seller was working with them. The Complainant alleges that the Respondent didn't disclose that they were a real estate agent and violated multiple articles under the National Realtor Association's Code of Ethics.

The Respondent's Attorney submitted a response on their behalf. The Respondent has a real estate investment business and a real estate agency. The response stated that the letter that the seller received was part of mass mailings that are sent out, by a third-party company, to homeowners in that area. The letter that the seller received was from the investment business. The response included an audio recording of a phone conversation between the Respondent and seller.

Based on the information provided, the letter was not a true offer. The seller contacted the Respondent, and it was made clear that it just represented a potential offer. However, the seller stated that they already signed an agreement with the Complainant.

Additionally, Counsel does not believe the Commission has authority over this matter because the Commission has not adopted the Code of Ethics and Standards of Practice provided by the National Association of Realtors.

Counsel recommends this matter be dismissed.

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

TIMESHARES:

81. 2024033721

Opened: 8/5/2024

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. The Complainant stated since they have been timeshare owners, they have faced numerous financial struggles. They stated that they were misled and manipulated during the presentation and felt pressured to decide on the spot. The Complainant stated that they were part of two presentations. The first was around April 1, 2022, and the second was around May 9, 2023. During these presentations they felt deceived.

Respondent attorney responded on the Respondent's behalf ("Representative"). Representative stated that Complainant has been an owner since 2022 with a subsequent purchase in 2023 through a Trade Agreement. They stated that the Complainant signed the contracts and were aware of the financial obligations. Furthermore, they received various points that could be used during their vacations. They didn't agree to terminate the contract.

Based on the information provided, Complainant is outside of the rescission period. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

82. 2024038501

Opened: 8/5/2024

First Licensed: 4/20/1999

Expires: 12/31/2024

Type of License: Time Share Registration

History: None

Complainant is an out of state resident. The Complainant entered a contract with Respondent on February 24, 2022. The sales representative painted a false narrative about the timeshare experience. They can't visit the resort at any time and the expenses are creating a huge burden. They have requested a more affordable option but was denied.

Respondent attorney responded on the Respondent's behalf ("Representative"). Representative stated that Complainant was only required to attend the presentation for the agreed upon amount of time and had no obligation to purchase a timeshare. Their position is that a full and fair disclosure of all purchase terms, including the rescission period, financials, and the fact that once closing is finalized this is deeded property, was provided on the day of sale. The request for the contract to be canceled or refunded was denied.

Based on the information provided, Complainant is outside of the rescission period. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

CASES TO BE REPRESENTED

83. 2024032981

Opened: 6/24/2024

First Licensed: 3/25/2021

Expires: 3/24/2025

Type of License: Affiliate Broker

History: None

The complaint was referred to the Commission by a different government agency. The Complainant is a Tennessee resident. The Respondent is an Affiliate Broker. The complaint alleges that a firm attempted to collect a debt on behalf of a credit management company.

The complaint was sent to the Respondent via certified mail, but no signature was present on the return receipt.

Based on the information provided, the Respondent wasn't mentioned in the complaint nor is the connection between the Respondent and the credit management company clear.

Based upon all these facts, Counsel recommends this matter be referred to the proper board/commission.

Recommendation: Refer to this matter to the Collection Service Board.

Commission Decision: The Commission accepted counsel's recommendation.

New Information: This complaint is related to complaint number 2024030461 (#51) and Complaint number 2024037021 (#52) that were presented in the October 2024 legal report. Counsel accidentally submitted the incorrect recommendation. This matter was referred by a different government agency. The Respondent owns a real estate development company and promotes as a “one stop shop.” The Respondent advertise that they provided is provide a plethora of services which included: overseeing a crew of 30 subcontractors, 10 job sites, and 12 investors; performing hands on project management. In 2020, the Respondent expanded their concept into a real estate firm “containing all of the elements an investor would need: lending, marketing, contractors, real estate agents, project management, and property management.” Although the Respondent has an active Affiliate Broker license, the company is not listed as a real estate firm.

New Recommendation: Counsel recommends that a complaint be administratively opened against the Respondent’s firm for unlicensed activity. Is it also recommended that this matter be referred to the Contractors’ board due to the appearance of providing contractor services.

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

COMMISSION DISCUSSION

Executive Director Baker had 3 announcements to make.

The next TREC Board Meeting will be in Nashville on November 13th. There will be a rulemaking hearing in both November and December.

Executive Director again thanked the kindness and hospitality of NETAR.

Executive Director Baker thanked all those that came for CE credits and reminded everyone to sign up for E&O insurance.

MEETING ADJOURNED AT 11:15AM