

DOOR TO DOOR

Tennessee Real Estate Commission Newsletter

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2019 MEETING CALENDAR

| | |
|--|---|
| January 9-10 th Nashville, Tennessee | July 10-11 th Nashville, Tennessee |
| February 13-14 th Nashville, Tennessee | August 14-15 th Nashville, Tennessee |
| March 13-14 th Nashville, Tennessee | September 11-12 th Nashville, Tennessee |
| April 17-18 th Nashville, Tennessee | October 10-11 th East Tennessee |
| May 9-10 th West Tennessee | November 13-14 th Nashville, Tennessee |
| June 12-13 th Nashville, Tennessee | December 4-5 th Nashville, Tennessee |

LICENSING STATISTICS

| PROFESSION | COUNT |
|--------------------------------|--------|
| Acquisition Agent License | 161 |
| Acquisition Agent Registration | 42 |
| Acquisition Representative | 2,330 |
| Affiliate Brokers | 29,595 |
| Designated Agent | 108 |
| RE Brokers | 7,601 |
| Real Estate Firm | 4,195 |
| Time Share Exempt | 151 |
| Time Share Registrations | 29 |
| Time Share Sale | 1,117 |
| Vacation Lodging Service | 123 |

Licensing Statistics are continued on page 2.

DIRECTOR'S NOTE



Things are moving right along at the Commission. We are currently averaging around 8 days for initial license time. This is, of course, not the case if applicants do not submit all requirements, but is the overall average for all initial applications. We have a lot of exciting improvements ahead for licensure and education. We are also looking to clarify the reinstatement and retest process. If you have any requests or ideas for the Commission, please send them to trec.info@tn.gov. We are always open to suggestions and would like to improve the experience for our licensees to better protect the public.

Caitlin Maxwell, Executive Director

NEWS AND UPDATES

LICENSE STATUS

Lately, we have been hearing from a significant amount of licensees who thought their principal broker or firm changed their license status for them. They reach out to us months later to find out their broker never submitted the paperwork and their status was never changed. I would urge all licensees to follow up on their license as the status of their license is ultimately their responsibility. We often see this with agents who thought they were in retirement or thought their firm submitted the transfer paperwork. Licensees can follow up on their status via their www.core.tn.gov account or on www.verify.tn.gov.

BROKER RELEASE

If you have an agent that is no longer working for your firm or an agent you wish to release from your firm, you can broker release them. Broker releases should be completed on the TREC 1 form. The best way to ensure that we receive these and that you have receipt of confirmation is via our website at www.core.tn.gov. Principal brokers complete a broker release request. You are able to save a printout of the completed application for your records. Please see page 2 of this newsletter for more information about what our rules say regarding termination of affiliation.

RENEWAL NOTICES

A topic that is constant at the Commission revolves around renewal notices. We do send these out ninety (90) days prior to your license expiration date. We are also excited to announce that we can now send these notifications out via email. It is important to make sure you are keeping your email address current with the Commission and that you also have selected that you would like to receive emails.

We will NOT be sending emails for just anything. The email function will be limited to license status, renewal notices, and could eventually involve law & rule change updates. You can check your email preferences at www.core.tn.gov.

ERRORS AND OMISSIONS "E&O" POLICY RENEWALS

The Commission has been very busy with errors and omissions ("E&O") insurance. Roughly 80% of licensees E&O insurance expired on 1/1/19. This renewal cycle, there were two (2) primary issues that we came across. The first related to the insurance provider having a different name on file than we had on file. This often happens with nicknames and middle initials. The second issue related to submitted license numbers not matching the numbers in our database. Next renewal cycle, we hope to not require the first name field and to look only at license number along with last name. We currently still have a little less than three percent (3%) of licensees who are suspended due to failure to maintain E&O insurance.

EDUCATION

Save the Date! Calling all Education providers, if you are an education provider in Tennessee, please save the date 5/15/19. TREC will be hosting an education round table. This will be an opportunity for TREC to talk about some of the updates to come for real estate education and for us to discuss the current state of education in Tennessee and the future of education.

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1260-02-.02 TERMINATION OF AFFILIATION

- (1) Any licensee or principal broker wishing to terminate the licensee's affiliation with a firm shall submit to the Commission a completed Transfer, Release and Change of Status Form (TREC Form 1) or submit the required information through an online submission. If the request is made using the TREC Form 1, the form must be hand-delivered, faxed, mailed, or e-mailed to the Commission to be effective. The principal broker's supervisory responsibility for the future acts of the licensee shall terminate upon the Commission's receipt of the release form or online submission. The principal broker shall retain a copy of the executed form or confirmation of online submission, whichever is applicable.
- (2) Within ten (10) days after the date of release, the licensee shall complete the required administrative measures for either change of affiliation or retirement. The licensee shall not engage in any activities defined in § 62-13-102 until a change of affiliation is received and processed by the Commission.
- (3) With regard to firm transfer requests that are completed through an online submission, the Commission recognizes the transfer of an affiliated licensee to a new firm as having been completed at the time that said transfer request is completed online and the transfer confirmation is printed only if the following conditions are met:
- (4) Prior to the submission of the online transfer request, the principal broker who is receiving the affiliated licensee into his or her firm has verified that the affiliated licensee has an active Tennessee license and current errors and omissions insurance; and
- (5) The online submission is complete, the submission contains an electronic signature, and payment has been received. If the electronic submission is not complete, does not have an electronic signature, or payment has not been received then the transfer shall not be considered by the Commission to be a valid transfer and the affiliated licensee will be placed into broker release status.
- (6) When a licensee terminates his affiliation with a firm, he shall neither take nor use any property listings or buyer representation agreements secured through the firm, unless specifically authorized by the principal broker in writing.
- (7) Upon demand by a licensee for his release from a firm, it shall be promptly granted by the principal broker and the principal broker shall return the license to the licensee. If the licensee cannot be located then the principal broker may return the license to the Commission.
- (8) If the principal broker is deceased or physically unable to sign the release, or refuses to sign a release, the licensee requesting termination of affiliation must submit to the Commission a notarized Affidavit for Release.
- (9) If the affiliated licensee is deceased or physically unable to sign a release or make an online submission, or refuses to sign a release or make an online submission, the principal broker requesting termination of affiliation must submit to the Commission a completed TREC Form 1 or make an online submission.
- (10) The Commission will not intervene in the settlement of debts, loans, draws, or commission disputes between firms, brokers and/or affiliates.

| LICENSING STATISTICS (CONT'D) | | |
|-------------------------------|-----------------|--------|
| LICENSE TYPE | STATUS | COUNT |
| Individual | Active | 34,589 |
| Individual | Broker Release | 2 |
| Individual | Inactive | 2 |
| Individual | Retired | 6,321 |
| Individual | Suspended | 1,197 |
| Individual | Vol Surrendered | 3,5621 |
| Firm | Active | 4,464 |
| Firm | Retired | 76 |

DISCIPLINARY ACTION REPORT | DECEMBER, 2018 - FEBRUARY, 2019

| RESPONDENT | LOCATION | VIOLATION | ACTION | DATE |
|------------------------|------------------|---|--|----------|
| Diane Taylor | Mount Juliet, TN | Failure to exercise reasonable skill and care | 4 Hours Contracts | 12/3/18 |
| April Hua | Collierville, TN | Failure to exercise reasonable skill and care | \$500 civil penalty and 4 hours Contracts CE | 12/15/18 |
| Dustin Sherlin | Cleveland ,TN | Failure to supervise | \$1,000 Civil penalty | 1/8/19 |
| Barry Steve Mason | Harrogate, TN | Failure to exercise reasonable skill or care | \$1,000 Civil penalty | 1/8/19 |
| Heather Marie Chase | Clarksville, TN | Failure to exercise reasonable skill or care | \$500 civil penalty and 4 hours CE in contracts | 1/16/19 |
| Lauren Evans Sullivan | Franklin, TN | Failure to obtain the informed written consent to Respondent's person interest from all parties | \$1,000 civil penalty & 4 hours CE in contracts, 3 hours CE in ethics | 1/23/19 |
| Joshua Hisaw | Arlington, TN | Failure to exercise reasonable skill or care | \$1,000 civil penalty & 4 hours CE in contracts, 3 hours CE in ethics | 1/30/19 |
| Susan Frost | Maryville, TN | Advertising violation | \$500 civil penalty | 2/6/19 |
| Christy Lynn Zurkuhlen | Franklin, TN | Sevierville, TN | Failure to exercise reasonable skill and care | 2/21/19 |
| Joseph Tyler Gill | Shelbyville, TN | Unlicensed activity | \$500 civil penalty plus 4 hours of continuing education in contracts | 2/21/19 |
| Winfred L. Allen | Humboldt, TN | Advertising violations | \$2,000 civil penalty plus 4 hours of continuing education in contract | 2/21/19 |
| Shannon Brooke Benton | Selmer, TN | Failure to exercise reasonable skill and care; improper, fraudulent, or dishonest dealing | \$2,000 civil penalty plus 4 hours of continuing education in agency | 2/27/19 |