



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
TENNESSEE REAL ESTATE COMMISSION
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243
615-741-2273
<http://www.tn.gov/commerce/section/real-estate-commission>

MINUTES

The Tennessee Real Estate Commission held a meeting April 6, 2016 at 9:00 a.m. in Nashville, Tennessee.

The Meeting was called to order by Chairman, Griess.

Griess, Board Chairman welcomed everyone to the Commission meeting.

Mr. Young, Executive Director called roll.

Commission Members present: Chairman John Griess, Vice-Chairman Janet DiChiara, Commissioner Diane Hills, Commissioner Marcia Franks, Commissioner Bobby Wood, Commissioner Fontaine Taylor, Commissioner Johnny Horne, Commissioner Gary Blume and Commissioner Austin McMullen. Others present: Executive Director Malcolm Young, Assistant General Counsel Mallorie Kerby, Paralegal Jennaca Harris and TREC Staff Brooke Wagner

AGENDA- Chairman Griess added a discussion of Principal Broker Education to the agenda.

Motion made by Commissioner DiChiara and seconded by Commissioner Hills to approve the agenda as amended. Motion carried unanimously.

MINUTES-

Minutes for the March 9th and 10th, 2016 board meetings were submitted for changes and/or approval.

Motion made by Commissioner Franks and seconded by Commissioner Hills to approve the February 10, 2016 minutes. Motion carried unanimously. Commissioner McMullen and Commissioner Blume abstained.

SPECIAL APPEARANCES-

Adrian Chick – Legal Counsel – Response to Motion to Stay and Response to Petition for Reconsideration.

Motion made by Commissioner Franks and seconded by Commissioner DiChiara to deny the reconsideration of the petition. Motion carried unanimously. Commissioner Blume abstained.

Motion made by Commissioner DiChiara and seconded by Commissioner Taylor to deny the motion for a stay of the disciplinary action. Motion carried unanimously. Commissioner Blume abstained.

INFORMAL APPEARANCE-

Application for Affiliate Broker licensure; Joseph “Mike” Harris.

Motion made by Commissioner Franks and seconded by Commissioner Hills to approve applicant for licensure process. Motion carried roll call vote 8 yes and 1 no. Motion passes.

Application for Affiliate Broker licensure; Floyd Love.

Motion made by Commissioner DiChiara and seconded by Commissioner Woods to approve application for licensure process. Motion carried unanimously.

Application for Affiliate Broker licensure: Charles Hammer.

Motion made by Commissioner Taylor and seconded by Commissioner Hills to approve application for licensure process. Motion carried unanimously.

COMMISSION DISCUSSION-

Commissioners discussed the requirement of expired/reinstatement licensees to attend a regular scheduled Tennessee Real Estate Commission Meeting. Commissioners have discussed the option of requiring a CE credit in lieu of attending a meeting. Commission has asked legal to propose new rule at the May meeting.

The Commission has been asked to discuss CORE topics for 2017-2018. They will need to approve the new CORE topics at the May Meeting. Potential topics discussed were commercial rules and laws and Property Management.

Discussion to allow potential licensees to appear before the Commission and Principal Brokers appear via technology. Mr. Young, Executive Director, has been asked to research the expenses incurred by video conferencing as well as the potential to live stream. After further investigation, there would not be expenses incurred by adding video conferencing, the potential to live stream is an option that has been discussed with the Assistant Commissioner as well.

Absentee Principal Broker Protocol. The commission has discussed what the protocol should be regarding when Principal Brokers are unable to communicate with their home office to complete transactions. The Commission discussed the options of allowing an exception within certain situations, such as adding a “back up” Principal Broker in case of emergency. A new rule would need to be proposed.

EDUCATION REPORT-

Motion made by Commissioner DiChiara to approve courses M1-M19 and seconded by Commissioner Hills. Motion carried unanimously. Commissioner Woods Abstained.

Motion made by Commissioner Hills to approve instructors M1-M19 and seconded by Commissioner Taylor. Motion carried unanimously.

EXECUTIVE DIRECTORS REPORT-

Executive Director Malcolm Young filed the April Errors and Omissions Report.

Review of Financial and Statistical Reports

LEGAL-

Litigation Re-presentation – Dennis Gregory

1. **2014023681**
Opened: 10/8/14
First License Obtained: 1/31/02
License Expiration: 2/18/17
E&O Expiration: 1/1/17
Type of License: Broker
History: 2014023731 – Under review by legal
2014023781 – Under review by legal
2014023821 – Under review by legal
2014023851 – Under review by legal
2014023871 – Under review by legal
2. **2014023711**
Opened: 10/8/14
First License Obtained: 1/6/99
License Expiration: 10/24/17
E&O Expiration: 1/1/17
Type of License: Principal Broker
History: 2014023761 – Under review by legal
2014023791 – Under review by legal
2014023841 – Under review by legal
2014023861 – Under review by legal
2014023891 – Under review by legal
3. **2014023731**
Opened: 10/8/14
First License Obtained: 1/31/02
License Expiration: 2/18/17
E&O Expiration: 1/1/17
Type of License: Broker
History: 2014023681 – Under review by legal
2014023781 – Under review by legal
2014023821 – Under review by legal
2014023851 – Under review by legal
2014023871 – Under review by legal
4. **2014023761**

Opened: 10/8/14
First License Obtained: 1/6/99
License Expiration: 10/24/17
E&O Expiration: 1/1/17
Type of License: Principal Broker
History: 2014023711 – Under review by legal
2014023791 – Under review by legal
2014023841 – Under review by legal
2014023861 – Under review by legal
2014023891 – Under review by legal

5. 2014023781

Opened: 10/8/14
First License Obtained: 1/31/02
License Expiration: 2/18/17
E&O Expiration: 1/1/17
Type of License: Broker
History: 2014023681 – Under review by legal
2014023731 – Under review by legal
2014023821 – Under review by legal
2014023851 – Under review by legal
2014023871 – Under review by legal

6. 2014023791

Opened: 10/8/14
First License Obtained: 1/6/99
License Expiration: 10/24/17
E&O Expiration: 1/1/17
Type of License: Principal Broker
History: 2014023711 – Under review by legal
2014023761 – Under review by legal
2014023841 – Under review by legal
2014023861 – Under review by legal
2014023891 – Under review by legal

7. 2014023821

Opened: 10/8/14
First License Obtained: 1/31/02
License Expiration: 2/18/17
E&O Expiration: 1/1/17
Type of License: Broker
History: 2014023681 – Under review by legal
2014023731 – Under review by legal
2014023781 – Under review by legal
2014023851 – Under review by legal
2014023871 – Under review by legal

8. 2014023841

Opened: 10/8/14
First License Obtained: 1/6/99
License Expiration: 10/24/17
E&O Expiration: 1/1/17
Type of License: Principal Broker
History: 2014023711 – Under review by legal

2014023761 – Under review by legal
2014023791 – Under review by legal
2014023861 – Under review by legal
2014023891 – Under review by legal

9. 2014023851

Opened: 9/22/14
First License Obtained: 1/31/02
License Expiration: 2/18/17
E&O Expiration: 1/1/17
Type of License: Broker
History: 2014023681 – Under review by legal
2014023731 – Under review by legal
2014023781 – Under review by legal
2014023821 – Under review by legal
2014023871 – Under review by legal

10. 2014023861

Opened: 10/8/14
First License Obtained: 1/6/99
License Expiration: 10/24/17
E&O Expiration: 1/1/17
Type of License: Principal Broker
History: 2014023711 – Under review by legal
2014023761 – Under review by legal
2014023791 – Under review by legal
2014023841 – Under review by legal
2014023891 – Under review by legal

11. 2014023871

Opened: 10/8/14
First License Obtained: 1/31/02
License Expiration: 2/18/17
E&O Expiration: 1/1/17
Type of License: Broker
History: 2014023681 – Under review by legal
2014023731 – Under review by legal
2014023781 – Under review by legal
2014023821 – Under review by legal
2014023851 – Under review by legal

12. 2014023891

Opened: 10/8/14
First License Obtained: 1/6/99
License Expiration: 10/24/17
E&O Expiration: 1/1/17
Type of License: Principal Broker
History: 2014023711 – Under review by legal
2014023761 – Under review by legal
2014023791 – Under review by legal
2014023841 – Under review by legal
2014023861 – Under review by legal

DECISION: Chair rules that request for a reduction in the length of license suspension dies

due to lack of Motion.

LEGAL REPORT- STAFF ATTORNEY

1. 20150215401

Opened: 10/11/15

First Licensed: 7/8/09

Expiration: 7/7/17

Type of License: Broker

History: No Prior Disciplinary Action.

Previous Decision:

Recommendation: Consent order for \$250 for violation of Rule 1260-02-.12(2)(b)(all advertising shall...list firm name and telephone number) (effective June 14, 2010), \$250 for violation of rule Rule 1260-02-.12(4)(a)(firm name and telephone number must conspicuously appear on each page of the website), and \$500 for violation of 1260-02-.12(5)(b)(Any offer, guaranty, warranty, or the like...must disclose all pertinent details on the face of the offer or advertisement.

DECISION: Consent Order for \$3,000—representing \$1,000 for each violation of Rule 1260-02-.12(2)(b)(all advertising shall...list firm name and telephone number) (effective June 14, 2010), Rule 1260-02-.12(4)(a)(firm name and telephone number must conspicuously appear on each page of the website), and Rule 1260-02-.12(5)(b)(Any offer, guaranty, warranty, or the like...must disclose all pertinent details on the face of the offer or advertisement) (effective June 14, 2010), plus attendance at one (1) regularly scheduled meeting of the Commission within 180 days of Respondent's execution of the Consent Order

Recommendation: Discuss.

NEW DECISION: The Commission voted to confirm their original decision.

Motion made by Commissioner Blume and seconded by Commissioner McMullen for approval of the Legal Recommendation. Motion passed unanimously.

2. 20150220151

Opened: 1/11/16

First Licensed: 7/26/77

Expiration: 10/21/16

Type of License: Principal Broker

History: No history of disciplinary action.

New Recommendation: Dismiss.

NEW DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner DiChiara and seconded by Commissioner McMullen for approval of the Legal Recommendation. Motion passed unanimously. Motion passed 8-1 with Franks in opposition.

3. 20150214841

Opened: 10/8/15

First Licensed: 7/27/07

Expiration: 7/26/17

Type of License: Real Estate Firm

History: No Prior Disciplinary Action

Recommendation: Consent order for \$500 for violation of T. C. A. § 62-13-312(b)(20)(improper dealing) and \$500 for violation of T. C. A. § 62-13-403(1)(reasonable skill and care).

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Hills and seconded by Commissioner McMullen for approval of the Legal Recommendation. Motion passed unanimously.

4. 20150217851

Opened: 10/23/15

First Licensed: 3/11/87

Expiration: 1/7/16

Type of License: Real Estate Firm

History: No Prior Disciplinary Action

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Franks and seconded by Commissioner Wood for approval of the Legal Recommendation. Motion passed unanimously.

5. 20150218041

Opened: 10/26/15

First Licensed: 3/12/15

Expiration: 3/11/17

Type of License: Real Estate Firm

History: Consent Order Authorized (misrepresentation/improper, fraudulent, dishonest dealing)(20150217441)

Recommendation: \$1000 for violation of T. C. A. § 66-32-114(a)(incorrect cancellation, must refund within 30 days), T. C. A. § 66-32-121(f)(2)(E) and Rule 1260-06-.04(incorrect cancellation clause, must refund within 30 days) and \$1000 for violation of T. C. A. § 66-32-121(f)(2)(D)(Failed to perform any stipulation or agreement made to induce the commission to issue an order relating to that time-share program);(E).

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Franks and seconded by Commissioner Hills for approval of the Legal Recommendation. Motion passed unanimously.

6. 20150218261

Opened: 10/27/15

First Licensed: 2/11/09

Expiration: 5/6/17

Type of License: Principal Broker

History: 201601077 not yet referred to legal, 2016001962 under review by legal

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Hills and seconded by Commissioner Taylor for approval of the

Legal Recommendation. Motion passed unanimously.

7. 20150218281

Opened: 10/27/15

First Licensed: 11/27/89

Expiration: 10/24/16

Type of License: Broker

History: No Prior Disciplinary Action.

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Franks and seconded by Commissioner Wood for approval of the Legal Recommendation. Motion passed unanimously.

8. 20150220701

Opened: 11/13/15

First Licensed: 1/09/80

Expiration: 2/25/17

Type of License: Principal Broker

History: No Prior Disciplinary Action.

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Blume and seconded by Commissioner Wood for approval of the Legal Recommendation. Motion passed unanimously.

9. 20150218341

Opened: 10/27/15

First Licensed: 6/24/14

Expiration: 6/23/16

Type of License: Affiliate Broker

History: No Prior Disciplinary Action

10. 20150218361

Opened: 10/27/15

First Licensed: 1/09/04

Expiration: 10/24/17

Type of License: Principal Broker

History: 2016001961 under review by legal

Recommendation: Dismiss as to both Respondents.

DECISION: The Commission voted to accept recommendation of legal counsel.

Motion made by Commissioner DiChiara and seconded by Commissioner Franks for approval of the Legal Recommendation. Motion passed unanimously.

11. 20150222591

Opened: 1/26/16

First Licensed: 9/12/02
Expiration: 11/30/17
Type of License: Affiliate broker
History: No history of disciplinary action.

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Franks and seconded by Commissioner DiChiara for approval of the Legal Recommendation. Motion passed unanimously.

12. 20150222611

Opened: 1/26/16
First Licensed: 5/23/97
Expiration: 4/17/16
Type of License: Principal Broker
History: No history of disciplinary action.

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Franks and seconded by Commissioner Dichiara for approval of the Legal Recommendation. Motion passed unanimously.

13. 20150222651

Opened: 12/1/15
First Licensed: 10/13/1998
Expiration: 2/27/17
Type of License: Principal Broker
History: \$100 Consent order for E&O violation

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner DiChiara and seconded by Commissioner Hills for approval of the Legal Recommendation. Motion passed unanimously.

14. 20150222671

Opened: 12/2/15
First Licensed: 9/23/08
Expiration: 9/22/16
Type of License: Affiliate Broker
History: No Prior Disciplinary Action

Recommendation: Consent order for \$500 for violation of T. C. A. § 62-13-403(reasonable skill and care).

DECISION: The Commission authorized a Consent Order in the amount of \$500 for violation of T.C.A. § 62-13-403 plus 8 hours of continuing education with a minimum 4 hours in short sales and 4 hours in ethics OR attendance of a TREC meeting within 180 days upon execution of the Consent Order. Such continued education should be over and above minimum license requirements.

Motion made by Commissioner DiChiara and seconded by Commissioner McMullen for approval of the Legal Recommendation. Motion passed unanimously.

15. 20150222691

Opened: 12/2/15

First Licensed: 5/19/99

Expiration: 1/21/17

Type of License: Principal Broker

History: 2016003831 Under Review by Legal

2011016301 Consent Order (Failure to Supervise)

2013022121 Final Order (Failure to Supervise)

2014003991 Consent Order (Failure to Supervise)

20140169421 Consent Order (Reasonable skill and care)

Recommendation: Consent order for \$500 for violation of T. C. A. § 62-13-312(b)(15)(failure to supervise).

DECISION: The Commission authorized a Consent Order in the amount of \$500 for violation of T.C.A. § 62-13-312(b)(15) plus attendance of a 30 hour Office Management course within 180 days of Respondent's execution of Consent Order.

Motion made by Commissioner McMullen and seconded by Commissioner Horne for approval of the Legal Recommendation. Motion passed unanimously.

16. 20150223991

Opened: 12/7/15

History: No Prior Disciplinary Action.

Recommendation: Consent order for \$250 for violation of T. C. A. § 62-13-104(b)(vacation lodging service must have a firm license).

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner McMullen and seconded by Commissioner Wood for approval of the Legal Recommendation. Motion passed unanimously.

17. 20150224121

Opened: 2/9/16

First Licensed: 7/2/97

Expiration: 1/6/18

Type of License: Principal Broker

History: No history of disciplinary action.

Recommendation: Consent Order for Litigation Monitoring.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner McMullen and seconded by Commissioner Franks for approval of the Legal Recommendation. Motion passed unanimously.

18. 20150224181

Opened: 2/9/16

First Licensed: 4/13/05
Expiration: 1/28/17
Type of License: Broker
History: No history of disciplinary action.

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner DiChiara and seconded by Commissioner Taylor for approval of the Legal Recommendation. Motion passed unanimously.

19. 2016005991

Opened: 3/22/16
First Licensed: 10/19/01
Expiration: 4/13/17
Type of License: Principal Broker
History: 2013017311 \$500 Consent Order

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Hills and seconded by Commissioner Wood for approval of the Legal Recommendation. Motion passed unanimously.

20. 20150224251

Opened: 2/9/16
First Licensed: 11/14/06
Expiration: 11/13/16
Type of License: Affiliate Broker
History: No history of disciplinary action.

Recommendation: Consent Order for Litigation Monitoring.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner McMullen and seconded by Commissioner Hills for approval of the Legal Recommendation. Motion passed unanimously.

21. 20150224271

Opened: 2/9/16
First Licensed: 11/14/00
Expiration: 8/1/16
Type of License: Principal Broker
History: No history of disciplinary action.

Recommendation: Consent Order for Litigation Monitoring.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Taylor and seconded by Commissioner DiChiara for approval of the Legal Recommendation. Motion passed unanimously.

22. 20150224311

Opened: 2/9/16
First Licensed: 12/9/16
Expiration: 1/3/17
Type of License: Broker
History: No prior disciplinary action

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner Franks and seconded by Commissioner Wood for approval of the Legal Recommendation. Motion passed unanimously.

23. 20150224371

Opened: 2/9/16
First Licensed: 12/2/87
Expiration: 1/28/17
Type of License: Principal Broker
History: 20150226261 under review by legal
2016005731 under review by legal

Recommendation: Dismiss.

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner DiChiara and seconded by Commissioner Taylor for approval of the Legal Recommendation. Motion passed unanimously.

24. 2016003281

Opened: 3/21/16
First Licensed: 8/26/02
Expiration: 3/21/17
Type of License: Principal Broker
History: 2015017611 Formal Charges Authorized; 2015017761 Formal Charges Authorized;
2012014031 \$500 Consent Order.

Recommendation: Revocation of Respondent's license in violation of T.C.A. § 62-13-312 (b) (5) (failure to remit money), (20) (improper dealing), T.C.A. § 62-13-313 (a)(2) (failure to respond), T.C.A. § 62-13-403 (skill and care) and Rule 1260-02-.09 (escrow).

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner DiChiara and seconded by Commissioner Hills for approval of the Legal Recommendation. Motion passed unanimously.

25. 2016006611

Opened: 3/22/16
First Licensed: 5/16/88
Expiration: 3/27/17
Type of License: Principal Broker
History: 2002093431 Letter of Warning; 2010036741 \$2,000 Consent Order; 2011001101

\$2,000 Consent Order; 2011024031 \$1,500 Consent Order; 2015000761 Formal Hearing Set 8/11/16

Recommendation: Revocation of Respondent's license in violation of T.C.A. § 62-13-312 (b) (5) (failure to remit money), (20) (improper dealing), T.C.A. § 62-13-313 (a)(2) (failure to respond), T.C.A. § 62-13-403 (skill and care) and Rule 1260-02-.09 (escrow).

DECISION: The Commission voted to accept the recommendation of legal counsel.

Motion made by Commissioner DiChiara and seconded by Commissioner Taylor for approval of the Legal Recommendation. Motion passed unanimously.

Motion made by Commissioner DiChiara and seconded by Commissioner Franks to move the May 12th and 13th meeting located in Jackson, Tennessee to May 5th, 2016. Motion passed unanimously.

Chairman Griess adjourned the meeting on Wednesday, April 6th, 2016 4:36 pm.