

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 05, 2017 at 9:00 a.m. CST in room 1A of the Davy Crockett Tower located at 500 James Robertson Parkway Nashville, TN 37243.

The Meeting was called to order by Chairman John Griess.

Chairman Griess welcomed everyone to the Board meeting.

Executive Director Malcolm Young called roll. The following Commission Members were present: Chairman Griess, Commissioner Marcia Franks, Commissioner Diane Hills, Commissioner Fontaine Taylor, Commissioner Johnny Horne, and Commissioner Bobby Wood. Others present: Executive Director Malcolm Young, Assistant General Counsel Sarah Mathews, Paralegal Rianna Womack, Education Director Ross White, and Commission Staff Brooke Chartrand. Vice Chairman Commissioner Austin McMullen was absent until the Commission reconvened at 1:30 pm. Commissioner Gary Blume and Commissioner Rick Douglass were absent.

The April 05, 2017 board meeting agenda was submitted for approval and amended to include an HR Report, PSI Meeting under Executive Directors Report, update on CORE discussion, as well as payment of registration for ARELLO and other Expenses to Commission Discussions and an update on the Legal Backlog under Legal Report.

Motion made by Commissioner Hills and seconded by Commissioner Wood to approve the April 05, 2017 agenda with changes. Motion carried unanimously.

Minutes for the March 8 & 9, 2017 board meeting were submitted for approval.

Motion made by Commissioner Franks and seconded by Commissioner Wood to approve the

March 8 & 9, 2017 minutes as submitted. Motion carried unanimously. Commissioner Taylor

abstained.

INFORMAL APPEARANCE:

Chanda Moses, and sponsoring principal broker Deborah Korlin, appeared before the

Commission to request a waiver to the 50 mile rule requirement. Motion made by Commissioner

Wood and seconded by Commissioner Hills to approve Ms. Moses for licensure. Commissioners

Franks, Taylor and Horne against, Commissioners Griess, Hills, and Wood voted to approve.

Motion failed. Request for licensure was not granted.

Presented by Assistant General Counsel Sarah Mathews, Ms. Dianna Bishop requested a medical

waiver of her late fees due to extenuating medical circumstances. Medical waiver was approved.

Motion made by Commissioner Franks and seconded by Commissioner Wood. Motion carried

unanimously

EDUCATION REPORT: (Attachment A)

Motion made by Commissioner Franks to approve courses A1-A33, motion seconded by

Commissioner Horne. Motion carried unanimously, Commissioner Wood abstained.

Motion made by Commissioner Franks to approve instructors A1-A4, motion seconded by

Commissioner Taylor. Motion carried unanimously.

EXECUTIVE DIRECTORS REPORT:

Page 2 of 22

Review of Financial and Statistical Reports (Attachment B)

Change of September Meeting Date-

The Commission voted to change the date of the September Commission meeting from September 13th and 14th, 2017 to September 6th and 7th, 2017 due to the Tennessee Realtors holding their Fall Convention September 13-16, 2017 in Memphis, Tennessee. Chairman Griess inquired if Legal is able to present the Commission with a Formal Hearing on the 7th, Legal was could not confirm if an ALJ would be available.

ARELLO Mid-Year Meeting Participation-

Director Young informed the Commission that Staff Attorney Sarah Mathews, Commissioner Rick Douglass, Commissioner Johnny Horne and himself would be attending the ARELLO Mid-Year Meeting in Louisville, KY April 26-29, 2017. Commissioner Franks also noted that she would be attending the meeting as well. Commissioner Taylor made the motion that if an attendee is unable to go Commissioner Franks will take their spot, motion seconded by Commissioner Hills. Motion carried unanimously, Commissioner Franks recused.

ARELLO District 2 & 3 Meeting Participation-

Motion made by Commissioner Wood and seconded by Commissioner Franks to request 2 Commissioners and 2 Staff members to attend the District 2 & 3 Meeting in Charleston, WV on June 8-10, 2017. Motion carried unanimously.

Update on Tree Tops Timeshare, Pigeon Forge-

Approximately 40% of the condominium units devoted to interval ownership were destroyed by the fire with some of the amenities at the Resort as well. Rebuilding is already underway and the Resort is open and accommodating owners in the undamaged buildings. The Homeowners Association is making every effort to accommodate those owners who have been displaced by the fire. Motion by Commissioner Wood seconded by Commissioner Franks to allow Tree Tops to submit a new Public Offering Statement regarding the entire Resort once there is a greater understanding as to when the completing of the new building and amenities will be compete, in the meantime Tree Tops Estate, Inc. are still allowed to conduct business within their remaining buildings. Motion passed unanimously.

Bill Tune Award Winners-

Chairman Griess inquired if Staff has a list of all previous Bill Tune award winners. Executive Director stated we will look into it and report one back at the next meeting.

2018 Invitation for East Tennessee Commission Board Meeting-

The Great Smoky Mountains Association of REALTORS requested the Commission hold their October 2018 meeting at their location. The Commission agreed this would be acceptable if their facility is able to meet the AV needs as well as be at the Government rate.

PSI Update-

Executive Director Young reported to the Commission that 4 real estate experts (Marcia Franks, Janet DiChiara, Rex Brown, and Jim Oakley) met with the test creators of the PSI National and State Real Estate Exam. During their meeting new questions were added to the exam and some were amended to meet today's current standards. Commissioner Franks requested the Education department develop a way to notify providers and instructors of recent rule changes. Education Director, Ross White, stated that once the ListServ is created Staff will have no problem doing so. Additionally, Commissioner Franks noted that the current Examination Handbook found on the PSI and TREC website is outdated and needs to be reviewed to reflect current standards.

Broker Post 120 Hours-

Stemming from the PSI Update Commissioner Franks brought up the issue of Brokers who have taken the Broker's exam and not completed their post 120 hours necessary for complete licensure retaking the exam to avoid taking their 120 hours. The commission directed legal to research the enforcement of the law.

COMMISSION DISCUSSIONS:

CORE Update-

Assistant Commissioner Carter Lawrence spoke to the Commission regarding CORE.

Pass/Fail Rules-

Staff Attorney Sarah Mathews informed the Commissioners that the Commission will post the annual pass fail rates for the providers. The Commission will be notifying the providers via the ListServ and plan to post the rates as soon as May 1, 2017. Going forward the Commission would like to research the options of providing potential sanctions to schools that consistently rank below a specified percentage.

Expense reimbursements for Commissioners-

Commissioner Bobby Wood requested that the Commission ask the administration to provide compensation for the registration costs for those Commission members attending events when it is not their turn in the order of secession. The Executive Director stated he will submit the question to the administration.

Commercial Unlicensed Activity-

Commission was informed of out of state investors identifying and purchasing commercial property without the assistance of a TN Affiliate Broker per rule (Unlicensed activity) Commissioner Wood encouraged licensees that become aware of this in the future to file a complaint with TREC for unlicensed activity.

LEGAL REPORT:

Introduction of Erica Smith-

Attorney General Counsel, Mark Green, introduced TREC's newest Legal Staff Attorney, Erica Smith to the Commission. He noted that while Erica is new to the Real Estate Commission, she has been employed through the State of Tennessee for 7 years as a Paralegal. Erica is taking the place of Dennis Gregory who received orders from the U.S. Army to report for deployment to Kuwait to act as a Judge Advocate General's Corp (JAG). Chairman Griess welcomed Erica and wished her good luck.

Reinstatement of firm license after expiration.-

Motion to accept the rule for reinstatement of an expired firm license was made by Commissioner Wood and seconded by Commissioner Franks. Motion passed unanimously.

Chairman Griess requested, for future meetings, that the legal report be restructured to group consent orders, dismissals and frivolous complaints together in an effort to streamline the legal report. He noted while improved, he would like to see it restructured even more and a consent agenda be enacted.

Legal Report Backlog-

Commissioner Wood requested to speak with General Counsel Mark Green regarding the backlog of Legal Cases. Mr. Green stated that currently TREC had about 366 open cases. Commissioner Wood asked if there was a way to streamline the process to reduce the 180 day metric, to ensure that cases are heard in a timelier manner. Green stated that cases are being processed as soon as the legal team can and some require more time than others. Commissioner Franks requested that unlicensed activity be prioritized based upon dates versus infractions. Mr. Green stated that the Commission could always begin agreed citations; Staff Attorney Sarah Mathews stated she will prepare unlicensed activity agreed citations to present at the May meeting.

1. **2016059081** RE-PRESENT

Opened: 4/4/16

First Licensed: 3/11/03 Expiration: 1/18/19

Type of License: Principal Broker

History: Consent Order 2008 Contract Dispute-\$1,000 Civil Penalty; Consent Order 2013

\$1,000 Civil Penalty for failure to supervise

Previous Recommendation: Due to insufficient evidence, Counsel recommends this matter be dismissed.

Previous Decision: Consent order for \$1,000 for violation of T.C.A. 62-13-312(b)(5) failure to return the earnest money.

Previous Recommendation: SUSTAIN THE PREVIOUS DECISION TO IMPOSE A \$1,000.00 CIVIL PENALTY FOR FAILURE TO SUPERVISE.

Previous Decision: The Commission voted to defer complaint until the next scheduled meeting. Recommendation: Close complaint as the Respondent was not the Affiliate Broker or the Principal Broker in this transaction and open complaint against Principal Broker during the time of the transaction.

Previous Decision: The Commission voted to open complaint against the Principal Broker during the time of the transaction and leave this complaint open until Principal Broker is presented.

New Recommendation: Close complaint as the Respondent was not the Affiliate Broker or the Principal Broker in this transaction.

New Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Taylor. Motion passes unanimously.

2. **2017010041**

Opened: 2/15/17

First Licensed: 1/4/07 Expiration: 6/14/18

Type of License: Principal Broker

History: March 2013 Consent Order- Failure to Supervise: \$1000 Civil Penalty and TREC

Attendance

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

3. **2016063601**

Opened: 10/19/16 First Licensed: 5/14/08 Expiration: 5/13/16

Type of License: Real Estate Firm History: None

Recommendation: Consent Order for \$500.00 civil penalty for violation of T.C.A. § 62-13-301, unlicensed activity.

Decision: The Commission authorized a civil penalty in the amount of Five Hundred Dollars (\$500.00) for each unit for violation of T.C.A. § 62-13-301, unlicensed activity totaling Two Thousand Dollars (\$2000.00). Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes 6-1, Commissioner Horne against.

4. 2016062731

Opened: 10/14/16 First Licensed: 9/8/08 Expiration: 9/7/18

Type of License: Affiliate Broker History: None

Recommendation: Dismiss.

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

5. **2016062761**

Opened: 10/14/16 First Licensed: 9/16/85 Expiration: 5/18/17

Type of License: Principal Broker History: None

Recommendation: Dismiss.

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

6. **2016062991**

Opened: 10/14/16 First Licensed: 1/31/01 Expiration: 3/6/18

Type of License: Affiliate Broker History: None

Recommendation: Dismiss.

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

7. **2016063011**

Opened: 10/14/16 First Licensed: 6/9/98 Expiration: 6/10/18

Type of License: Principal Broker History: None

Recommendation: Dismiss.

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

8. **2016062971**

Opened: 10/14/16 First Licensed: 5/9/11 Expiration: 5/8/17

Type of License: Real Estate Firm History: None

Recommendation: Dismiss.

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

9. **2016065521**

Opened: 10/14/16 First Licensed: 1/21/05 Expiration: 5/28/17

Type of License: Real Estate Firm History: None

Recommendation: Dismiss.

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

10. **2016063861**

Opened: 10/20/16 First Licensed: 2/19/13 Expiration: 2/18/17

Type of License: Affiliate Broker

History: August 2016 Agreed Order \$6000 Civil Penalty, TREC attendance, Suspended for 180

days, downgrade to affiliate status

Recommendation: Dismiss.

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

11. **2016063921**

Opened: 10/20/16 First Licensed: 1/6/99 Expiration: 10/24/17

Type of License: Principal Broker

History: August 2016 Agreed Order \$6000 Civil Penalty, TREC attendance, 30 hours Broker

Management Course

Recommendation: Dismiss.

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

12. **2016064041**

Opened: 10/24/16

First Licensed: 10/13/10 Expiration: 10/12/18

Type of License: Real Estate Firm

History: None

Recommendation: Consent Order for \$250.00 civil penalty for violation of T.C.A. § 62-13-

312(b)(20), improper, fraudulent, or dishonest dealing.

Decision: The Commission authorized a civil penalty in the amount of One Thousand Dollars (\$1000) for violations of T.C.A. §§ 62-13-312(b)(20) (improper, fraudulent or dishonest dealings). Motion by Commissioner Griess seconded by Commissioner Hills. Motion passes 6-1, Commissioner Horne against.

13. **2016064061**

Opened: 10/24/16 First Licensed: 11/2/04 Expiration: 11/29/17

Type of License: Principal Broker History: None

Recommendation: Consent Order for \$250.00 civil penalty for violation of T.C.A. § 62-13-312(b)(20), improper, fraudulent, or dishonest dealing.

Decision: The Commission authorized a civil penalty in the amount of One Thousand Dollars (\$1000) for violations of T.C.A. §§ 62-13-312(b)(20) (improper, fraudulent or dishonest dealings). Motion by Commissioner Griess seconded by Commissioner Hills. Motion passes unanimously.

14. **2016064261**

Opened: 10/25/16 First Licensed: 9/27/77 Expiration: 3/27/19

Type of License: Real Estate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

15. **2016064301**

Opened: 10/25/16 First Licensed: 5/9/02 Expiration: 12/31/18

Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

16. **2016065361**

Opened: 10/26/16 First Licensed: 7/28/99 Expiration: 3/3/18

Type of License: Affiliate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Wood. Motion passes unanimously.

17. **2016065381**

Opened: 10/26/16 First Licensed: 4/27/88 Expiration: 7/27/18

Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

18. 2016064891

Opened: 10/27/16 First Licensed: 11/3/05 Expiration: 4/14/18

Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

19. **2016065981**

Opened: 11/2/16 First Licensed: 5/1/00 Expiration: 1/4/19

Type of License: Real Estate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Hills. Motion passes unanimously.

20. **2016066011**

Opened: 11/3/16

First Licensed: 11/1/02 Expiration: 7/1/17

Type of License: Affiliate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Taylor. Motion passes unanimously.

21. **2016066051**

Opened: 11/3/16

First Licensed: 7/26/02 Expiration: 10/30/18 Type of License: Real Estate Firm History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Hills. Motion passes unanimously.

22. **2016067701**

Opened: 11/10/16 First Licensed: 6/2/15 Expiration: 6/1/17

Type of License: Real Estate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

Advertising

23. **2016063341**

Opened: 10/14/16 First Licensed: 7/28/92 Expiration: 9/16/18

Type of License: Principal Broker History: None

Recommendation: Letter of Warning for advertising violation.

Decision: The Commission authorized a civil penalty in the amount of One Thousand Dollars (\$1000) for violations of TREC Rule 1260-02-.12(3)(b) and T.C.A. §§ 62-13-310(b). Motion by Commissioner Hills seconded by Commissioner Wood. Motion passes unanimously.

24. **2016063381**

Opened: 10/14/16 First Licensed: 2/20/03 Expiration: 4/11/18

Type of License: Affiliate Broker History: None

Recommendation: Letter of Warning for advertising violation.

Decision: The Commission authorized a civil penalty in the amount of One Thousand Dollars (\$1000) for violations of TREC Rule 1260-02-.12(3)(b) and T.C.A. §§ 62-13-310(b). Motion by Commissioner Taylor seconded by Commissioner Wood. Motion passes unanimously.

25. **2016066311**

Opened: 11/7/16

First Licensed: 11/7/13 Expiration: 11/6/17

Type of License: Affiliate Broker

History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

26. **2016066341**

Opened: 11/7/16

First Licensed: 12/14/89 Expiration: 3/14/19 Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Wood. Motion passes unanimously.

Time Share Registration and Vacation Clubs

27. **2016068411**

Opened: 11/10/16 First Licensed: 3/24/08

Expiration: 3/23/17

Type of License: Time Share Registration History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Wood. Motion passes unanimously.

28. **2016066201**

Opened: 11/3/16

First Licensed: 3/24/08 Expiration: 3/23/17

Type of License: Time Share Registration History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Wood. Motion passes unanimously.

29. **2016063281**

Opened: 10/17/16 First Licensed: 4/20/99 Expiration: 12/31/17 Type of License: Time Share Registration History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Horne. Motion passes unanimously.

30. **2016066321**

Opened: 11/1/16

Type of License: Unlicensed History: None *Licensed Developer in FL since 5/9/11

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Griess seconded by Commissioner Wood. Motion passes unanimously.

31. **2016063581**

Opened: 10/19/16 First Licensed: 2/17/17 Expiration: 2/16/19 Type of License: Vacation Lodging Service Firm History: None

Recommendation: Consent Order for a \$500 civil penalty for violation of unlicensed activity.

Decision: The Commission authorized a civil penalty in the amount of One Thousand Dollars (\$1000) for violations of T.C.A. § 62-13-301, unlicensed activity. Motion by Commissioner Franks seconded by Commissioner Wood. Motion passes unanimously.

Robyn Ryan

32. **2016062661**

Opened: 10/13/16 First Licensed: 3/4/16

Expiration: 3/3/18

Type of License: Affiliate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Hills. Motion passes unanimously.

33. **2016062681**

Opened: 10/13/16

First Licensed: 12/18/87 Expiration: 1/31/19 Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

2016063071

Opened: 10/16/16

First Licensed: 12/7/06 Expiration: 12/6/16 Type of License: Affiliate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Taylor. Motion passes unanimously.

2016063091

Opened: 10/16/16 First Licensed: 10/31/07 Expiration: 1/27/19

Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Wood. Motion passes unanimously.

36. **2016063181**

Opened: 10/16/16 First Licensed: 2/21/07 Expiration: 2/20/19

Type of License: Affiliate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Hills seconded by Commissioner Taylor. Motion passes unanimously.

2016063241

Opened: 10/16/16

First Licensed: 10/31/07 Expiration: 1/27/19

Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Wood. Motion passes unanimously.

38. **2016065051**

Opened: 10/31/16

First Licensed: 1/20/06 Expiration: 1/27/18 Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Hills. Motion passes unanimously.

39. **2016065501**

Opened: 10/31/16 First Licensed: 3/28/01 Expiration: 10/24/18

Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by

Commissioner Wood seconded by Commissioner Hills. Motion passes unanimously.

40. **2016065931**

Opened: 11/2/16

First Licensed: 5/24/06 Expiration: 4/24/18

Type of License: Principal Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by

Commissioner Hills seconded by Commissioner Wood. Motion passes unanimously.

41. 2016065891

Opened: 11/2/16

First Licensed: 5/24/06 Expiration: 5/23/18 Type of License: Affiliate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by

Commissioner Hills seconded by Commissioner Wood. Motion passes unanimously.

42. **2016067541**

Opened: 11/4/16

Type of License: Unlicensed History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

43. **2016071231**

Opened: 11/29/16

Type of License: Unlicensed

History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Franks. Motion passes unanimously.

2016071181

Opened: 11/29/16

Type of License: Unlicensed

History: None

Recommendation: Consent Order for \$1,000 civil penalty for violation of unlicensed activity.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Hills seconded by Commissioner Franks. Motion passes unanimously.

45. **2016075621**

Opened: 12/20/16

Type of License: Unlicensed History: None

Recommendation: Discussion and perhaps investigation to gather documents.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Hills. Motion passes unanimously.

46. **2016064801**

Opened: 10/25/16 First Licensed: 9/19/06 Expiration: 6/26/18

Type of License: Principal Broker History: None

Recommendation: Consent Order for \$1,000 civil penalty for violation of failure to respond.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Taylor seconded by Commissioner Franks. Motion passes unanimously.

2016055981

Opened: 9/16/16

First Licensed: 11/30/15 Expiration: 11/29/17 Type of License: Real Estate Firm History: None

Recommendation: Dismiss.

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

2016056041

Opened: 9/16/16

First Licensed: 3/24/06 Expiration: 3/23/18

Type of License: Affiliate Broker

History: 2013 Agreed Citation \$250-Advertising Violation

Recommendation: Dismiss

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

2016056091

Opened: 9/16/16 First Licensed: 4/7/00 Expiration: 3/14/17

Turne of Lineages Prince

Type of License: Principal Broker

History: 2014 Consent Order \$1000 Civil Penalty-Failure to supervise 2016 Letter of

Warning-Advertising Recommendation: Dismiss

47. **2016058571** RE-PRESENT

Opened: 9/29/16

First Licensed: 3/12/12 Expiration: 3/11/18

Type of License: Affiliate Broker History: None

Recommendation: As the underlying complaint is meritless, the recommendation is for a \$500.00 civil penalty for failure to respond in violation of T.C.A. §62-13-312(14), regarding T.C.A. §62-13-313(2).

Decision: The Commission voted to authorize a civil penalty in the amount of \$1,000 for violation of

T.C.A. §§ 62-13-313(a)(2), failure to respond.

New Recommendation: Dismiss.

New Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Hills. Motion passes unanimously.

48. **2016054991** RE-PRESENT

Opened: 9/16/16

First Licensed: 11/21/05

Expiration: 7/6/17

Type of License: Principal Broker History: None

Previous Recommendation: Because there appears to be no violation, the recommendation is for a \$500.00 civil penalty for violation of T.C.A. §62-13-312(14) in violation of T.C.A. §62-13-313(2).

Previous Decision: The Commission voted to authorize a civil penalty in the amount of \$1,000 for violation of T.C.A. §§ 62-13-313(a)(2), failure to respond.

Recommendation: Dismiss.

New Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Hills seconded by Commissioner Wood. Motion passes unanimously.

Advertising

49. **2016063881**

Opened: 10/20/16 First Licensed: 1/11/06

Expiration: 8/27/17

Type of License: Principal Broker

History: 2015 Consent Order \$1000 Civil Penalty & TREC attendance- provision regarding offer,

guaranty, and warranty, advertising violation

Recommendation: Consent Order for \$1,000 civil penalty for violation of Rule 1260-02-12(6)(b), Tenn. Code Ann. §62-13-312(14).

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Wood. Motion passes unanimously.

50. **2016065011**

Opened: 10/28/16 First Licensed: 3/19/13 Expiration: 3/18/17

Type of License: Affiliate Broker History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Horne seconded by Commissioner Wood. Motion passes unanimously.

51. **2016065031**

Opened: 10/28/16

First Licensed: 10/6/03 Expiration: 8/13/17 Type of License: Principal Broker History: None

Recommendation: Discuss.

Decision: The Commission voted to dismiss the matter and send a letter to – PB and tell them to contact person who manages fb accounts re the issue of corrections to anything posted. Motion by Commissioner Hills seconded by Commissioner Franks. Motion passes unanimously.

52. **2016065561**

Opened: 11/1/16

First Licensed: 1/24/03 Expiration: 1/19/18

Type of License: Affiliate Broker

History: 2015 Consent Order \$3000 Civil Penalty & TREC Attendance-failure to disclose all

pertinent details on the face of advertisement for guarantees, claims and offers

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Taylor. Motion passes unanimously.

53. **2016065751**

Opened: 11/2/16

First Licensed: 10/27/99 Expiration: 11/20/17

Type of License: Principal Broker

History: 2014 Letter of Warning/Caution-advertising violation 2015 Consent Order \$12000 Civil Penalty & TREC Attendance-failure to supervise & failure to disclose all pertinent details on the

face of advertisement for guarantees, claims and offers

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Taylor. Motion passes unanimously.

2016066241

Opened: 11/4/16

First Licensed: 5/24/06 Expiration: 5/23/18

Type of License: Affiliate Broker History: None

Recommendation: Consent Order for \$1,000 civil penalty for violation of Rule 1260-02-12(3)(e) advertising listing of another without written authorization of property owner.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Taylor. Motion passes unanimously.

55. **2016066261**

Opened: 11/4/16 First Licensed: 4/7/00 Expiration: 3/14/17

Type of License: Real Estate Broker

History: 2014 Consent Order \$1000 Civil Penalty-Failure to supervise 2016 Letter of Warning-

Advertising

Recommendation: The violation for respondent above is based on respondent not getting written permission of owner.....not the other agent. Here, it appears that there is monitoring in place and the "advertising" was on Instagram with no sales information. Classes are held and rules in place at this firm and the respondent agent is on probation. Therefore, recommendation is to dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Horne seconded by Commissioner Wood. Motion passes 5-2, Commissioners Franks and Taylor against.

Time Share Registration

56. **2016064711**

Opened: 10/26/16 First Licensed: 3/24/08

Expiration: 3/23/17

Type of License: Time Share Registration History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Taylor. Motion passes unanimously.

2016064861

Opened: 10/26/16

First Licensed: 3/24/08 Expiration: 3/23/17

Type of License: Time Share Registration History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Taylor. Motion passes unanimously.

58. **2016065541**

Opened: 11/1/16

First Licensed: 4/20/99 Expiration: 12/31/17

Type of License: Time Share Registration History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Franks seconded by Commissioner Taylor. Motion passes unanimously.

59. **2016067641**

Opened: 11/10/16

Type of License: Time Share Exempt

History: 2016 Consent Order \$1000 Civil Penalty refunds must be made within 30 days of the

notice of cancellation

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Wood seconded by Commissioner Horne. Motion passes unanimously.

60. **2016067681**

Opened: 11/10/16 First Licensed: 3/24/08

Expiration: 3/23/17

Type of License: Time Share Registration

History: None

Recommendation: Dismiss.

Decision: The Commission voted to accept the recommendation of legal counsel. Motion by Commissioner Hills seconded by Commissioner Wood. Motion passes unanimously.

Meeting Adjourned by Chairman Griess at 3:43 p.m.

Attachment A

TENNESSEE REAL ESTATE COMMISSION

Education Agenda May 11, 2017

CR = Classroom Webinar=W

I = Internet PP = Paper & Pencil

Courses Presented for Commission Evaluation

Sponsor/Address/	Title/Statutory &/or Rule	Comment	Instructor(s)	Hours
Contact	Addressed			
Career Web School/OnCourse Real Estate Inc.	30 Hour Course for New Affiliates(I)	Topics covered in this course include agency, contracts, fair housing laws, antitrust laws, risk reduction strategies, broker supervision, property	Gary Taylor	30
#1304 Diana Taulli	Rule 1260-0503(3) M1	management, leases, commercial real estate, business ethics, finance basics, types of loans, title insurance, and finance regulation.	PREVIOUSLY APPROVED	
The CE Shop, Inc. #1456	NAR Green Day 2: Representing Buyers and Sellers of Resource-	The course examines among other things how the sum of many small environmental changes in our daily lives has resulted in a big shift in societal	Michael McAllister	6
Rebecca Piltingsrud	Efficient Homes(I) Rule 1260-0503(1); (.06) M2	behaviors and attitudes. The different generations react differently to green. Agents can be change makers as they interact with their clients within green communities.	PREVIOUSLY APPROVED	
	NAR Greeen Day 1: Resource-Efficient Homes: Retrofits, Remodels, Renovations, and New Home Construction(I) Rule 1260-0503(1); (.06) M3	Discusses what a resource-efficient home is and why consumer demand is increasing for these homes. Also, examines the influence of principles of sustainability on consumer attitudes and choices and home values.		6
The Columbia Institute #1463	Constructing the Professional ReportFrom A-Z, No. 026. (CR)	This course provides information regarding an appraisal report-i.e. what needs to be included and formats to use.	Amelia Brown Robbie Wilson	5
Jeanne Crane	Rule 1260-0503(3)		PREVIOUSLY APPROVED	

Columbia Institute	M4			
continued	Shades of Green- Residential Appraisal, No. 156 (CR)	This course explains what is considered green in residential building.	PREVIOUSLY APPROVED	8
	Rule 1260-0503(3) M5			
	Comprehensive Square Foot Calculations, No. 155 (CR) Rule 1260-0503(3)	This course explains how to measure residential square footage (the simple and the complex).		8
	M6			
Council of Residential Specialists #1113	CRS 127 Succession Planning: Building, Valuing and Selling Your Business(CR)	This course examines creating strong business and succession/retirement plans which requires a careful analysis of the market, valuation of your business, the ability to select appropriate selling strategies, and building a long term referral stream.	Mark Given PREVIOUSLY APPROVED	8
Regina Harvey	Rule 1260-0503(5)(a) M7			
D&D School of Real Estate #1183	Evaluating Current Standards in Fair Housing(I)	Course focuses on the mandatory fair housing issues that real estate licensees must understand, including what conduct violates anti-discrimination laws to avoid potential liability.	Richard Clemmer PREVIOUSLY	4
Richard Clemmer	Rule 1260-0512 M8		APPROVED	
	NAR: May the Code Be With You(I) Rule 1260-0512	Course addresses the specifics of the NAR Code of Ethics and ethical practices and decision making for real estate professionals.		4
	M9			
	Property Tax & Mortgage Valuation(I)	This course offers a practical view of the relationship of agents and appraisers along with the uses of property taxes and appraisals in two major sections.		3

	Rule 1260-0512 M10			
	Social Media Ethics(I) Rule 1260-0512	This course will review the REALTOR Code of Ethics and learn how to ensure you are in compliance while using social media and technology.		3
	M11		Tom Noff	
	Ethics & Agency Relationships Today,	This course will review your understanding of agency and ethics core principals.	Tom Neff	4
	Article 1 thru 9 NAR Code of Ethics(PP)		PREVIOUSLY APPROVED	
	Rule 1260-0512 M12			
	TREC Residential Core 2017-2018(I) Rule 1260-0503; (.12) M13	This course will provide attendees a better understanding of the latest rules, regulations, and issues when practicing real estate in the state of Tennessee. It will fulfill the Core course CE		6
McKissock LLC	Certified Luxury Home	requirement. This course is designed to fulfill continuing education	Tami Simms	10
#1338	Marketing Specialist Training(CR)	requirements for real estate professionals concerning luxury home marketing training.	PREVIOUSLY APPROVED	
Nichole Fetzeck	Rule 1260-0503(1) M14			
Memphis Area Association of Realtors #1094	Launch(CR)	Launch will help realtors recognize the benefit from creating an annual business plan, understand how the BizBlueprint2Go can be a road map to success through specific activities and immediately	Jennifer Du Plessis	3
	Rule 1260-0503(1); (5)(a) M15	implement knowledge gained.	NEED APPROVAL	
O'Hara Keszler	Math 101 for Realtors(CR)	Math 101 for Realtors introduces professional realtors to simple math theories used by lenders. Participants will develop a basic knowledge of these practices in an effort to assist them when clients make inquiries		3
	Rule 1260-0503(1); (5)(a)	about various situations related to purchasing or		

	M16	selling a home.		
MAAR continued	17 Crazy Things Agents Do to Mess UP Their Careers(CR) Rule 1260-0503(1);(5)(a) M17	Teach realtors the value of an effective, valid listing agreement, proper language use in advertisements and using social media legally and effectively.	Michele Sloan PREVIOUSLY APPROVED	2
	Lead Generate Like a Boss(CR) Rule 1260-0503(1);(5)(a) M18	Teach realtors how to market properly to get the maximum number of referrals and how to strategically go after additional lead sources in order to grow their sphere.	Amber Esparza NEED APPROVAL	2
	Here Come the Millenials(CR) Rule 1260-0503(1);(5)(a) M19	Helping agents describe the age of the millennial (generation Y) and how previous generations had a direct impact on how they view the world; understand the typical millennial buyer; understand millennials expectations and how they like to communicate.	Michel Sloan PREVIOUSLY APPROVED	2
	The Number One Lead Conversion Tool for Realtors(CR) Rule 1260-0503(1);(5)(a) M20	This course will teach realtors the importance of a stellar lead follow up system by using the number one lead converting tool today-video.	Jason Esparza NEED APPROVAL	2
	It's Not You; It's New!(CR) Rule 1260-0503(1); (5)(a)	Identify ways to stay abreast of current and emerging technological trends; explain the value of video and future projections; leveraging Evernote, listing and community photos across the internet.	Marki Lemons Ryhal	1
	M21 Your Perfect Practice Morning for Sustainable Growth(CR)	Teach realtors how to reinforce their foundation for success by implementing five simple steps daily, S.A. L.E.S. Sales, Affirmations, Lead Generation, Exercise, and Scripts. This process will allow realtors	NEED APPROVAL	2

	Rule 1260-0503(1);(5)(a) M22	to become more focused and deliberate about the actions needed to grow and sustain their best real estate live.		
	How To Get More Business from Facebook in Three Easy Steps(CR)	This course will teach realtors how to use the largest social platform in the world in a systematic way to build stronger relationships and to get more referrals.	Jason Esparza NEED APPROVAL	2
	Rule 1260-0503(1);(5)(a) M23			
Memphis Real Estate School #1350 Felicia Roddy	Tennessee License Review(CR) Rule 1260-05- .03(1);(2);(5)(a)	Students shall review both the Tennessee and National categories for real estate licensing. The specific points contained in the state law for operating as a real estate agent shall be identified and reinforced through practice scenarios and exercises to enable the student to focus on the requirements of licensing and	Felicia Roddy PREVIOUSLY APPROVED	12
Middle Tennessee Association of Realtors #1141 Candy Joyce	M24 Putting the Pieces Together(CR) Rule 1260-0503(5)(a)	the brokerage relationship. Integrating the proper forms within a transaction with ethical performance to better serve clients.	Randa Dawson PREVIOUSLY APPROVED	4
Performance School of Real Estate Finance #1000020 Terrye Ianetta	M25 Using Today's Tools to Gain More Listings(CR) Rule 1260-0503(5)(a) M26	Students will gain an understanding on how to advertise properties on the internet and be seen on the World Wide Web. Skills taught will include leveraging Facebook and blogging, as we explore the impact of social media as a way to be found online.	Debra Black Diane Tallon Kathy Schmidt Josh Rodgers PREVIOUSLY APPROVED	3
Sterling Education Services, Inc. #1345 Tara Hermann	Landlord-Tenant Law: From Lease to Eviction(CR) Rule 1260-0503(5)(a) M27	Don't wait until you are in the middle of litigation to get help on landlord-tenant law matters. Our speakers can offer practical experience and down to earth solutions and help you keep up with the constantly shifting body of laws.	David Canas PREVIOUSLY APPROVED	8

Tennessee Association of	Manage Your Time:	This course is a motivational upbeat educational	Robert Morris	1
Realtors	Control Your Life!(CR)	session with an emphasis on learning time		
#1110		management techniques, and showing how important	PREVIOUSLY	
Steve McDonald	Rule 1260-0503(5)(a)M28	they are to gaining control of your life, prioritizing	APPROVED	
		items to reach your goals in your business and		
		everything you do.		
TREC	TREC Outreach	Statewide outreach seminars offered to the	Malcolm Young	2
#7777	Seminars(CR)	Associations, offering free CE credit.	Sarah Mathews	
E. Ross White	Rule 1260-05.03(5)			
	M29			

Courses Requiring Discussion

Sponsor/Address/ Contact	Title	Comment	Instructor(s)	Hours

Executive Director's Report

May 2017

Tennessee Real Estate Commission

Education –

Instructor/Provider List Serv – the Listserv has been installed for future communication with course providers on updates at TREC on education. The first listserv communication will be the course providers on the new feature on the website of publishing the pass/fail ratios.

Instructor Certification Course – Staff is currently interviewing course developers for a Certification for of instructors with a combination of live and online.

Education Committee- Staff is recommending a review group from the Commissioners to review content and learning objectives of course submissions prior to the final approval by the commission.

Outreaches -

TREC has established topics and a schedule of 8 outreaches with TREC Executive Director and Attorney, Sarah Mathews.

2017 Outreach Locations and Tentative Dates					
Association	Location	Tentative Date	Tentative Time		
MAAR	Memphis, TN	May 10, 2017	2:30 PM		
NETAR	Kingsport, TN	June 21, 2017	2:00 PM		
KAAR	Knoxville, TN	June 22, 2017	10:00 AM		
MTAR	Murfreesboro, TN	August 11, 2017	9:00 AM		
CWTAR	Jackson, TN	August 15,2017	9:30 AM		
WCAR	Brentwood, TN	August 14, 2017	9:00 AM		
RCAR	Springfield, TN	August 18, 2017	9:00 AM		
GNAR	Nashville, TN	August 23, 2017	9:00 AM		
GCAR	Chattanooga, TN	October 4, 2017	1:00 PM		

Upcoming Invitations for Outreaches

Keller Williams Knoxville- April 13, 2017 Greater Chattanooga Association of REALTORS Brokers- May 4 Keller Williams Regional- May 8, 2017

IT Update-

Staff is continuing to work with IT on the ListServ challenges, tracking the broker post 120 hours, and flagging the suspended agents and identifying the Principal Broker.

ARELLO-

The ARELLO Midyear was held April 26-29 in Louisville, KY with Johnny Horne, Marcia Franks, Malcolm Young and Sarah Mathews in attendance. The conference discussions centered on the North Carolina Dental Supreme Court ruling and oversight of individual commission decisions, increased complaint filings in jurisdictions, and property management issues. (See report)

Human Resources/Staffing -

The staffing grid for the TREC Staff is as follows:

Malcom Young	Executive Director
Ross White	Education Director
Melissa Fox	Office Manager and Processing Coordinator
Rachel Fowler	Licensee Education
Brooke Chartrand	Administrative Assistant and Special Projects
Ahmad Lewis	Auditor
Aaron Smith	Customer Service and Errors and Omissions
Sherry Brame	Processor, Payments, Rosters, Schools
Liza Bennich	Customer Service, Processing
Cherita Okoro	Customer Service, Processing
Rhonda Brown	Customer Service

April Statistical Report -

Profession	Count
Acquisition Representative Registration	2330
Real Estate Firm	3941
Acquisition Agent Registration	42
Affiliate Broker	26175
Acquisition Agent License	144
Designated Agent for Vacation Lodging Services	99
Time Share Sale	918
Time Share Exempt	135
Vacation Lodging Service	109
RE Broker	7527
Time Share Registration	29

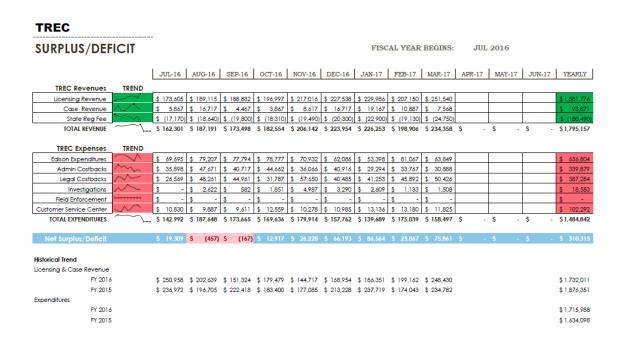
License Type	Status	LIC_COUNT
Individual	Active	31066
Individual	Broker Release	2
Individual	Inactive	1
Individual	Retired	6186
Individual	Suspended	920
Individual	Vol Surrendered	3515
Firm	Active	4177
Firm	Retired	79

April 2017

EXAMS TAKEN BY LICENSE TYPE

Test	Tested	Pass	Fail`	% Passed	% Failed
				rasseu	raneu
TN-	6	5	1	83.33%	16.67%
Acquisition					
Agent					
TN Affiliate	661	389	272	58.85%	41.15%
Broker-					
National					
TN Affiliate	604	428	176	70.86%	29.14%
Broker- State					
TN Broker-	44	27	17	61.36%	38.64%
National					
TN Broker-	55	39	16	70.91%	29.09%
State					
(DA)	(2	40	21	(((=0)	22.220/
TN-	63	42	21	66.67%	33.33%
Timeshare					
Salesperson					

2017 March



Opened and Closed Complaint Cases-

Month	Opened Cases	Closed Cases
12/1/2016 – 12/31/2016	65	87 *14 with sanctions
01/01/2017-01/31/2017	70	67 *11 with sanctions
02/01/2017-02/28/2017	62	105
3/01/2017-3/31/2017	56	85
4/01/2017-4/30/2017	52	66

Future Dates -

ARELLO Fall – 2017 – Hawaii – September 2017

Submitted by

Malcolm Young, Executive Director, Tennessee Real Estate Commission