



**STATE OF TENNESSEE  
500 JAMES ROBERTSON PARKWAY  
NASHVILLE, TN 37243  
615-741-2273**

**<https://www.tn.gov/commerce/regboards/trec.html>**

## **MINUTES**

The Tennessee Real Estate Commission held a meeting on November 10, 2021, at 8:30 a.m. CST at the Davy Crockett Tower located at 500 James Robertson Parkway Nashville, TN 37243. In addition, the meeting was streamed virtually via Microsoft TEAMS meeting platform. John Griess called the meeting to order and welcomed everyone to the Board meeting. Executive Director Caitlin Maxwell read the public disclaimer and called the roll. The following Commission Members were present: Commissioner Joe Begley, Commissioner Geoff Diaz, Commissioner Stacie Torbett, Commissioner DJ Farris, Commissioner Steve Guinn, Commissioner Jon Moffett & Chairman John Griess. Vice-Chair Marcia Franks, and Commissioner Joan Smith were absent. Quorum Confirmed. Others present: Executive Director Caitlin Maxwell, Associate General Counsel Anna D. Matlock, Associate General Counsel Dennis Gregory, Associate General Counsel Pamela Vawter, Paralegal Carol McGlynn, Education Director Ross White, and TREC staff member Aaron Smith.

The November 10, 2021 board meeting agenda was submitted for approval.

Motion to approve the agenda was made by Commissioner Diaz and seconded by Commissioner Farris. Motion passed unanimously.

Minutes for the October 14, 2021 board meeting were submitted for approval.

Motion to approve the October 14, 2021 minutes was made by Commissioner Farris and seconded by Commissioner Diaz. Motion passed 6-0 with Commissioner Begley abstaining.

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### **INFORMAL CANDIDATE APPEARANCES**

Darin Caylie Catlin and Principal Broker Steven Sharpe appeared before the Commission to obtain approval for Ms. Catlin's Affiliate Broker license.

Motion to approve Ms. Catlin was made by Commissioner Diaz and seconded by Commissioner Guinn. Motion passed unanimously.

Alicia Harm and Principal Broker Dana Landry appeared before the Commission to obtain approval for Ms. Harm's Affiliate Broker license.

Motion to approve Ms. Harm was made by Commissioner Guinn and seconded by Commissioner Moffett. Motion passed unanimously.

Shawn Hodge and Principal Broker Todd Smith appeared before the Commission to obtain approval for Mr. Hodge's Time Share license.

Motion to approve Mr. Hodge was made by Commissioner Diaz and seconded by Commissioner Torbett. Motion passed unanimously.

Jon Carlson and Principal Broker Sue Acee appeared before the Commission to obtain approval for Mr. Carlson's Time Share license.

Motion to approve Mr. Carlson was made by Commissioner Diaz and seconded by Commissioner Torbett. Motion passed unanimously.

### **WAIVER REQUEST**

Director Maxwell presented Robert Kotto to the Commission seeking a Medical Waiver request.

Motion to approve Mr. Kotto's waiver request was made by Commissioner Torbett and seconded by Commissioner Diaz. Motion passed unanimously.

Director Maxwell presented Jovita Hernandez to the Commission seeking a Waiver

request.

Motion to approve Ms. Hernandez's waiver request was made by Commissioner Diaz and seconded by Commissioner Torbett. Motion passed unanimously.

Director Maxwell presented Deborah Erwin to the Commission seeking a Waiver request.

Motion to approve Ms. Erwin's waiver request was made by Commissioner Diaz and seconded by Commissioner Moffett. Motion passed unanimously.

### **EDUCATION REPORT**

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

Motion to approve courses N1-N17 was made by Commissioner Farris and seconded by Commissioner Diaz. Motion passed unanimously.

Education Director Ross White presented the Instructors Biography to the Commission.

Motion to approve instructor's biography was made by Commissioner Diaz and seconded by Commissioner Farris. Motion passed unanimously.

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### **EXECUTIVE DIRECTOR'S REPORT**

Director Maxwell updated the Commission on the topics below.

- **TNEX:** February 8, 2022 at 1:00PM to appear on the panel for the conference.
- **ARELLO:** August/September TREC meeting dates pushed for further discussion to coincide with ARELLO Annual Conference to be held in Nashville, TN
- **MISCELLANEOUS:** CE Broker discussion a platform that maintains and keeps track of CE for the REALTORS. CE Broker staff will attend the February meeting to introduce the product.

- **WEST TN MEETING:** The commission discussed and voted to hold the May 2022 TREC meeting in Memphis, TN. Motion was made by Commissioner Guinn and seconded by Commissioner Diaz. Motion passed unanimously.

## **ERRORS AND OMISSIONS GROUP POLICIES**

TREC discussed the topic of errors and omissions (“E&O”) insurance group policies. During this E&O cycle, several questions arose regarding what type of policy the Commission accepts. Group policy questions were very frequent during this cycle. Therefore, the matter was placed on the agenda for the November 2021 board meeting for discussion. Ultimately, the Commission opined they will accept group policies. However, each group policy must list the individual agents covered. This information should be submitted to TREC prior to the policy’s expiration date. Additionally, TREC should be in possession of the most up to date policy. This means that TREC should be updated in the event of a change in the policy, such as policy expiration date(s), renewal(s) of policy, when an agent is added, or when an agent is removed. The Commission stated it would be burdensome on TREC staff to have to guess who was on the group policies if that information is not specifically provided.

## **REAL ESTATE EDUCATION AND RECOVERY FUND**

Associate General Counsel Anna Matlock led a discussion with the Commission on the topic of the real estate education and recovery account (“REERA”). On October 1, 2021, several provisions of the REERA were made, removing certain barriers that were making the account nearly inaccessible. As those changes have occurred, Ms. Matlock has received communication from a consumer that will make a claim to the REERA. Ms. Matlock proposed the idea of creating a smaller committee of three (3) members. These three (3) members ideally would represent each grand division and have one (1) consumer member of the Commission. The committee would then be responsible for the preliminary review and discussion of the claims made and decide upon a recommendation to the full Commission. Once a recommendation is made, the Commission will then also view the material, ask questions, and render a final decision. No final decision was made on the committee. The Commission elected to hear the first claim against the REERA as a full Commission at the January 2022 meeting. Discussion on future processes will commence at this time.

## **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 1-85 with exception of the following complaints, which were pulled for further discussion: **2021060531, 2021063551, 2021057061, 2021060391, 2021068371, 2021068581, 2021054581**. This motion was made by Commissioner Diaz and seconded by Commissioner Torbett. Motion passed unanimously.

After further discussion by the Commission on complaint 2021060531, Commissioner Diaz made the motion **to authorize a formal hearing and issue a Consent Order with a \$500.00 civil penalty for failure to exercise reasonable skill and care**. The motion was seconded by Commissioner Begley. Motion passed 4-3 with Commissioner Guinn, Commissioner Moffett, Commissioner Torbett voting against.

After further discussion by the Commission on complaint 2021063551, Commissioner Farris made the motion **issue a Letter of Warning for failure to exercise reasonable skill and care**. The motion was seconded by Commissioner Diaz. Motion passed unanimously.

After further discussion by the Commission on complaint 2021057061, Commissioner Diaz made the motion **to accepted counsel's recommendation course of action and voted to increase the civil penalty to \$1000.00**. The motion was seconded by Commissioner Torbett. Motion passed unanimously.

After further discussion by the Commission on complaint 2021060391, Commissioner Diaz made the motion **to accepted counsel's recommended course of action and voted to increase the civil penalty to \$1000.00**. The motion was seconded by Commissioner Begley. Motion passed unanimously.

After further discussion by the Commission on complaint 2021068371, Commissioner Diaz made the motion **to accept counsel's recommendation**. The motion was seconded by Commissioner Torbett. Motion passed unanimously.

After further discussion by the Commission on complaint 2021068581, Commissioner Diaz made the motion **to accepted counsel's recommendation**. The motion was seconded by Commissioner Guinn. Motion passed unanimously.

After further discussion by the Commission on complaint 2021054581, Commissioner Diaz made the motion **to authorize a formal hearing and issue a Consent Order for revocation.** The motion was seconded by Commissioner Guinn. Motion passed 6-1 with Commissioner Torbett voting no.

## **COMPLAINTS**

### **DENNIS GREGORY**

1. **2021054621**  
**Opened: 8/23/2021**  
**Unlicensed**  
**History: None**

The Complainant is a tenant in a rental unit managed by the Respondent. The Complainant also claims to be a TREC Licensee. The Respondent is a property management company that appears to be unlicensed.

The Complainant lodged this complaint after he got home and found his apartment door ajar with noises coming from inside. The Complainant found three maintenance members, although they would later turn out to be independent vendors hired by the Respondent. The workers told him they were there to replace the threshold to his patio door.

The Complainant claims no notice was given contrary to his lease agreement. Also, the workers were unaccompanied, which is also contrary to the lease agreement. The Complainant's concerns were, apparently, somewhat blown off by the on-site manager.

A TDCI investigator made contact with the on-site manager who did acknowledge the complaint. The manager, however, did not answer any of the questions posed related to licensure.

**Recommendation: Authorize a formal hearing with authority to settle by Consent Order with a \$1,000 civil penalty for a violation of Tenn. Code Ann. § 62-13-301, which states, It is unlawful for any person, directly or indirectly, to engage in or conduct, to advertise or claim to be engaging in or conducting the business, or acting in the capacity of a real estate broker, affiliate broker, time-share salesperson or acquisition agent, as defined in § 62-13-102, within this state, without first obtaining a license as broker, affiliate broker, time-share salesperson or acquisition agent, as provided in this chapter, unless exempted from obtaining a license under § 62-13-104.**

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

2. **2021057151**  
**Opened: 9/7/2021**  
**First Licensed: 9/17/2010**  
**Expires: 9/16/2022**  
**Type of License: Principal Broker**  
**History: 2020 Letter of Warning**

The Complainant is the buyer, and the Respondent is the listing agent.

The Complainant's problem is that he says he has not yet received his \$20,000 earnest money. On May 2021 the Complainant entered into an agreement to purchase property with \$20,000 in earnest money paid. The contract was contingent upon the Complainant selling his home in another state. As the closing date approached, the Complainant's broker told the Respondent that the Complainant had been unable to sell his house. Further, the Complainant was also turned down for a loan to purchase the subject property.

On July 19, the seller executed a release in order to release the escrow money. On July 22, the Complainant submitted a new offer with an owner financing deal and a new closing date. The seller rejected the offer. The release was executed by all parties and the earnest money was sent out from the title company on July 29. The complaint appears to have been lodged on the day the earnest money was delivered to the Complainant.

The Respondent applied the 21-day rule correctly. If there was any delay in the Complainant receiving the earnest money it was due to the title company's inaction.

**Recommendation:** Close.

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

3. **2021058181**  
**Opened: 9/7/2021**  
**Unlicensed**  
**History: None**

The Complainant may be a tenant of one of the subject rental properties. The Respondent is an unlicensed property manager.

The Complainant says the owners of the subject properties live out of state and have turned over the management of their Tennessee properties to an unlicensed individual. Apparently, these properties are individual, residential homes.

The response from the owner of the subject properties is a recently prepared (August 2021) limited power of attorney in which he gives all powers of management to the Respondent over his Tennessee properties (all in one county). This specific property appears to have been under lease since 2016. Presumably, then, the Respondent property manager has been acting in an unlicensed capacity since that time.

The exemption language in T.C.A. § 62-13-104(1)(B) appears to apply to this situation; however, there are over four years of unlicensed activity. The exemption would only apply going forward.

**Recommendation: Authorize a formal hearing with authority to settle by Consent Order with a \$500 civil penalty for a violation of Tenn. Code Ann. § 62-13-301, which states, It is unlawful for any person, directly or indirectly, to engage in or conduct, to advertise or claim to be engaging in or conducting the business, or acting in the capacity of a real estate broker, affiliate broker, time-share salesperson or acquisition agent, as defined in § 62-13-102, within this state, without first obtaining a license as broker, affiliate broker, time-share salesperson or acquisition agent, as provided in this chapter, unless exempted from obtaining a license under § 62-13-104.**

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

4.     **2021058621**  
       **Opened: 9/7/2021**  
       **First Licensed: 1/28/1994**  
       **Expires: 8/14/2023**  
       **Type of License: Principal Broker**  
       **History: None**

The Complainants are the buyers, and the Respondent is the listing agent for the sellers.

The Complainants claim the Respondent was “demanding and unprofessional” through the process of buying their subject house. The complaint centers around the issue of mold and how that was disclosed to the Complainants. The Complainants did work with a broker. The Complainants allege that at closing the property disclosure stated “No Mold” when, according to the Complainants, the home had obvious signs of mold. The Complainants say they got up to leave the closing; however, the sellers left a \$5,000 check to treat the mold. The Complainants ultimately purchased the house.

The Respondent denies that there was ever a “Mold Disclosure” document presented at any stage of the transaction. The only document dealing with mold was the residential property disclosure that is standard for any real estate transaction. The disclosure form included with the Respondent's response appears to have been checked “NO” on most items. This may be what the Complainant is referring to. The Respondents were aware that a black stain existed on the ceiling that was known through a home inspection the Complainants had acquired. The black stain, however, was not conclusively determined to be mold. The sellers thought the stain was due to humidity as had been determined by “Servall” a mold inspecting service.

The Respondent and sellers had no knowledge of any mold-again only that there was a black stain on the ceiling. There is no evidence of any lack of professional skill and care.

**Recommendation: Close.**

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



5.     **2021059681**  
      **Opened: 9/7/2021**  
      **First Licensed: 5/18/2021**  
      **Expires: 5/17/2023**  
      **Type of License: Affiliate Broker**  
      **History: None**

The Complainant is the seller (not working with a broker), and the Respondent is the buyers' broker.

The Complainant says the Respondent brought his buyers to the home in order to show the property. The Complainant's chief problem seems to be that the Respondent did not want the offer in writing so his buyers could easily reject it. He also alleges the commission was too low for the Respondent, so he was personally motivated to not communicate the offer.

The Respondent says that his buyers were only interested if the price came down to \$640,000.00. The Respondent claims he already knew what price range the buyers were at, so he saw no point in having an offer reduced to writing that was just going to be rejected (the Respondent says the Complainant's price was firm at \$654,000.00). The Respondent says he never promised he would send a written offer.

The Respondent's duty of loyalty was to the buyers. The Respondent knew what purchase price range his clients were in and knew they would not want to make an offer on \$654,000.00. The buyers were also free to look elsewhere.

**Recommendation:** Close.

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

6.     **2021059741**  
      **Opened: 9/7/2021**  
      **First Licensed: 7/20/2017**  
      **Expires: 7/19/2023**  
      **Type of License: Affiliate Broker**  
      **History: None**

The Complainant is the seller who lives out of state, and the Respondent is the listing broker.

The Complainant says the Respondent misrepresented escrow funds as part of the sale of his house. The home sold in January 2021. Thereafter, the Complainant contends the Respondent established an escrow account from which the Complainant could pay for items on a home inspection list provided by the buyers. The Complainant says the Respondent will not provide an accounting for funds dispersed from the escrow account.

The Respondent claims the title company handled the escrow. The Complainant paid \$5,000 into the account in lieu of negotiating any activities regarding the inspection and repair of the house. He says he later found out the Complainant was not happy with how the title company was documenting the payout from the escrow account. In order to help the Complainant, the Respondent attempted to request and compile the receipts from the title company. He provided that documentation to the Complainant via email.

The Respondent did not breach any duty of reasonable skill and care or loyalty to the Complainant. The escrow held by the title company was the title company's responsibility. It appears the Respondent attempted to assist the Complainant given his location outside the state. This complaint is a case of "no good deed goes unpunished."

**Recommendation:** Close.

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

7.     **2021056211**  
       **Opened: 9/13/2021**  
       **First Licensed: 4/27/2000**  
       **Expires: 11/27/2022**  
       **Type of License: Principal Broker**  
       **History: None**

The Complainant is the seller, and the Respondent is the listing agent.

This complaint stems from an interpleader action. The Complainant listed the subject property with the Respondent for three years. The Complainant moved to Alabama shortly thereafter. Apparently, the property is a mountaintop tract in a rural area of Tennessee where few public utilities exist. As such, the property went under contract three times before it was sold in April 2021.

The root of the interpleader was the failed second contract on the property. After that transaction, the Respondent interpleaded the earnest money when the buyers demanded the return of the earnest money. The court filing fee of \$238.00 appears to be what the Complainant is most upset about. The Complainant says he did not authorize the \$238.00 to be paid from the earnest money. To the contrary, the purchase and sale agreement states that the "holder shall be reimbursed for, and may deduct from any funds interpleaded, its costs and expenses." The Complainant received the balance of the remaining earnest money minus the filing fee.

The Respondent acted appropriately in this matter. It is unfortunate the Complainant had so many challenges with the subject property; however, the Respondent did not breach any duty of loyalty or failed to display lack of skill and care.

**Recommendation:** Close.

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

**8. 2021057181**  
**Opened: 9/13/2021**  
**First Licensed: 10/9/2007**  
**Expires: 10/8/2023**  
**Type of License: Affiliate Broker**  
**History: None**

The Complainant is the buyer's broker. The Respondent is the sellers' broker.

The Complainant says the Respondent called her on July 21, 2021 after the Complainant and her client were already in a buyer's exclusive agency agreement. The Complainant explains that her client (buyer) had registered for a lead generation website. Her client told her at that time she was not represented on the buyer's side. She had, however, contacted the Respondent to act as the buyer's listing agent for the home the buyer owned. She had not, however, signed with the Respondent on the buying side.

As part of this phone call referenced earlier, the Respondent told the Complainant that she already had an exclusive buyer's agency agreement and that the Complainant "needed to terminate the offer I [Complainant] submitted and that she would submit an offer at full listing price to make up for having to split the commission with me." The Complainant asked for the exclusive buyer's agency agreement that the Respondent claimed to have. The Complainant never received it and never heard from the Respondent again until she showed up to the closing on July 26. The Complainant says the Respondent told the closing attorney and all other parties that "they were not done with the home sale and requested that I leave while they finish up." The Complainant also included a snapshot of the Respondent's license which indicates the Respondent's license was in a "suspended" status at some point during this transaction.

The Respondent denies the Complainant's allegations. The Respondent says she represented the buyers (two buyers-sisters who owned the same home) in the sale of their co-owned residence. Although no exclusive agency agreement was signed, the Respondent signed the buyers up for Realtor for new listings. On July 19, 2021, one of the buyers called the Respondent saying that her sister had made an "unexpected written offer on a property." The buyer was concerned because the Complainant had written the offer omitting the co-buyer (the other sister) from the offer. The Complainant told the Respondent she represented the one sister that had signed the exclusive buyer's agency agreement but not the other.

This transaction was muddled by the one sister not fully understanding what she was signing, leaving the other sister off the agency agreement. It is clear the Complainant only signed the one sister to the agency agreement on the buyer's side. As to the Respondent's suspension, the TREC full-time staff verified the Respondent's license was suspended for an E&O insurance lapse from January 29, 2021-July 31, 2021.

**Recommendation: Authorize a formal hearing with authority to settle by Consent Order with a \$1,000 civil penalty for a violation of Tenn. Code Ann. § 62-13-301, which states, It is unlawful for any person, directly or indirectly, to engage in or conduct, to advertise or claim**

to be engaging in or conducting the business, or acting in the capacity of a real estate broker, affiliate broker, time-share salesperson or acquisition agent, as defined in § 62-13-102, within this state, without first obtaining a license as broker, affiliate broker, time-share salesperson or acquisition agent, as provided in this chapter, unless exempted from obtaining a license under § 62-13-104.

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

9.     **2021060041**  
      **Opened: 9/13/2021**  
      **First Licensed: 6/4/2019**  
      **Expires: 6/3/2023**  
      **Type of License: Affiliate Broker**  
      **History: None**

The Complainant is a TREC licensee who resides in Florida. The Respondent is a TREC licensee who describes himself as a "contracted independent realtor agent."

The Complainant says the Respondent is advertising without his firm logo displayed, telephone number or office address. The only telephone number listed is his personal cell number. Next, he says the Respondent is "not offering co-op with other realtors they are looking for a cash buyer." Finally, the Complainant says the Respondent is receiving a salary from another a non-real estate entity while working for the Respondent's realty firm.

The Respondent admits to having only his cell number on the website. He says he has since taken down his number and replaced it with the firm's number and added the logo. As to the co-op issue, the Respondent says that he "only answers questions about the property..." and is not otherwise involved in the transactions. This seems like an issue for the local MLS rather than the commission. Regarding the salary, he says he receives no salary from the non-real estate entity. There is nothing further with the complaint to support anything more than him receiving a commission through his realty firm.

The advertising violation appears to be the only violation.

**Recommendation: Authorize a contested case proceeding with authority to settle by Consent Order and payment of a \$500 civil penalty for violation of Tenn. Comp. Rules & Regs. 1260-02-.12(3)(b) which requires that "[a]ll advertising shall be under the direct supervision of the principal broker and shall list the firm name and the firm telephone number as listed on file with the Commission. The firm name must appear in letters the same size or larger than those spelling out the name of the licensee or the name of any team, group, or similar entity."**

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

10.    **2021060241**  
      **Opened: 9/13/2021**  
      **First Licensed: 9/29/2009**

**Expires: 9/28/2023**  
**Type of License: Real Estate Firm**  
**History: None**

The Complainant purchased a timeshare, and the Respondent is a timeshare company.

The Complainant purchased the subject timeshare in 2017. The Complainant says he has had difficulties renting out the timeshare. He also claims the membership and maintenance fees have not remained consistent. The Complainant has recently retired and has also encountered some financial hardships as of late. He is now attempting to get out of the timeshare.

The Respondent is currently unwilling to cancel the Complainant's timeshare. The Respondent also points out that the timeshare was not marketed as an "income-generator." The terms of the timeshare agreement appear to have been clearly explained in the initial contract.

**Recommendation:** Close.

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

**11. 2021060371**  
**Opened: 9/20/2021**  
**First Licensed: 12/10/2013**  
**Expires: 12/9/2021**  
**Type of License: Principal Broker**  
**History: None**

The Complainants are former tenants at a property managed by the Respondent. The Respondent is a property manager.

The Complainants say their one-year lease ended on June 30, 2021. They claim they physically moved out on May 28, 2021. The Complainants allege they have not yet received their \$1,800 security deposit.

The Respondent says they inspected the rental on July 5, 2021 to determine what if any damages were present. The Respondent claims it is the owner's responsibility to determine what charges, if any, to charge the tenant. The owner communicated to the Respondent on July 13 that the security deposit should be returned in full. The security deposit was then supposedly mailed out on July 21 via USPS to the tenant's last known address. The Respondent claims that no forwarding address was left. To complicate matters, the Respondent says they were out due to a medical emergency from July 23-August 13, so they were not aware that the Complainants' check had not been received. A new check was issued on August 30 and was cashed on September 5.

In rebuttal, the Complainants say they filed a lawsuit in order to attempt the return of their security deposit. The security deposit has since been received and cashed. They are now out \$250.00 in filing fees and are disappointed with this outcome. They also claim that a forwarding address was

provided to the Respondent's assistant via text message on July 12 (prior to the first check being mailed).

The security deposit was returned within a reasonable amount of time as detailed in T.C.A. 66-28-301. It is possible that the Respondent's assistant did not communicate the Complainants' new address as it was texted directly to the assistant.

**Recommendation:** Close.

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

12.     **2021060531**  
          **Opened: 9/20/2021**  
          **First Licensed: 6/12/2017**  
          **Expires: 6/8/2023**  
          **Type of License: Affiliate Broker**  
          **History: None**

The Complainant is the seller, and the Respondent is the buyer's broker.

The Complainant sold his home with an agent; however, this complaint is directed at the buyer's broker. The Complainant alleges the buyers did a walk-through on August 10, 2021 with closing the next day. The Complainant was later informed that the buyer was inside the home at noon on the day of closing. The Complainant's agent supposedly confirmed this who went to the home after closing around 1pm. The buyer told the agent that the Respondent had provided them a key from the lock-box the evening before walk-through. No physical damage was sustained to the home.

The Respondent does not deny giving the key to the buyers; however, he is adamant the buyers only received the keys after all loan documents were signed and all funds were wired. An email from the title company confirms this.

The Complainant simply seems put off by the buyers being in the home anywhere near the time the wire transfer was completed. There is no evidence of any breach of the duty of skill and care to any party.

**Recommendation:** Close.

**Commission Decision:** The Commission voted to authorize a formal hearing and issue a Consent Order with a \$500.00 civil penalty for failure to exercise reasonable skill and care.

13.     **2021063451**  
          **Opened: 9/27/2021**  
          **First Licensed: 10/15/1998**  
          **Expires: 3/25/2022**

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

The Complainants are the buyers, and the Respondent is the sellers' broker.

In November 2020, the Complainants contacted the Respondent about the subject property. The crux of the complaint is the Complainants desire to get a landlocked tract of land with an easement that suited them. In January 2021, the Complainants made an offer on the tract of land on two conditions: an acceptable survey and an easement to a road over a third-party's land. While the offer was accepted by the sellers, the easement portion was dependent on whether or not the third-party owners would sell to the Complainants.

The Complainants then ordered a survey that took some time to complete (cost \$1,500). Later, the negotiations with the owners that were to sell the easement ended in stalemate after those folks asked well over what the Complainants thought the easement was worth. Ultimately, the first contract failed. The second also failed. Later, the property sold to the same owners that held the proposed easement. The Complainants take the position that their offers were "aborted" because the Respondent could earn a higher commission from another buyer.

The Respondent says the Complainants had every opportunity to purchase the property. He says that the Complainant husband's arrogance turned off both the sellers and the owners who held the land over which the easement would travel. He says this more than anything caused the sellers to move on from the Complainants. The Respondent's primary duty was to his sellers, although, there is no evidence the Respondent intentionally withheld any information from the Complainants that would have caused the sale to fall through.

Part of the problem with this transaction was the additional factor of getting an unrelated third-party to sell an easement. Making the sale contingent on the decision of a third-party owner only complicated matters.

**Recommendation:** Close.

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

**14. 2021063661**  
**Opened: 9/27/2021**  
**First Licensed: 10/17/1979**  
**Expires: 4/22/2023**  
**Type of License: Principal Broker**  
**History: None**

The Complainant is the seller, and the Respondent is the buyer's broker.

The Complainant says the Respondent showed her residence for sale in September 2021. The Respondent's buyer made an offer that was supposedly \$75,000 below the Complainant's asking price. The Complainant then contends the Respondent contacted the county appraiser's office and

told them the Complainant's home was appraised too high as it did not have a basement (the home was listed as a partial walk-in basement used as a workshop and yard equipment storage area). The Complainant says the county appraiser then reduced her home's appraised value from \$133,00 to \$108,200. She thinks the Respondent did this for personal gain in order to get her buyer a better deal.

The Respondent says that after her buyer made an offer, the Respondent mentioned to the listing agent the difference in the square footage on the MLS and the tax card. The tax card supposedly said the home had a partially finished basement. The respondent claims she was not attempting to say the value was too high for her own gain, but rather that the tax record needed to be corrected (along with the listing). The county appraiser changed the description from a basement to a crawlspace. Ultimately, the Respondent's buyer did not make another offer on the subject property.

The allegation that the Respondent's actions were for personal gain falls short. Possibly, this action will benefit the Complainant as she may get a refund at some point as she was paying taxes based on a higher, incorrect assessed value.

**Recommendation:** Close.

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

**15. 2021064071**  
**Opened: 9/27/2021**  
**First Licensed: 3/23/2005**  
**Expires: 11/2/2023**  
**Type of License: Affiliate Broker**  
**History: None**

The Complainants are the buyers, and the Respondent is the seller's broker.

The Complainants entered into a construction agreement with the seller/builder in August 2020 to construct a spec. house. The date of completion was January 15, 2021. As that date approached, it became apparent the seller was not going to finish in time (lack of construction materials due to Covid). Consequently, the Complainants' broker approached the Respondent about having the seller/builder amend the contract to finish at a later date.

While the Complainants do not provide a reason, the seller/builder did not want to finish the house. The seller/builder terminated the contract the day after the proposed date of completion, which then led to the Complainants filing suit in chancery court to enforce the specific performance of the contract. The judge ruled on the case in September 2021 and determined the Complainants were also in breach of the contract as they had not secured financing at the time the seller/builder terminated the agreement. The judge could not determine who breached first, however. Although specific performance was not awarded to the Complainants, the judge did order all earnest money returned to the Complainants.



How the Respondent fits into this is that the Complainants allege that she either engaged in the unlicensed practice of law by giving her opinion to the seller/builder on the contract extension OR because she supposedly testified to one thing at trial but said something else in her response to this complaint. As to the allegation she engaged in the practice of law, it was not her, but her principal broker that gave an opinion on the contract extension ( at least according to the findings of fact in the judge's final order). The principal broker was called as a witness at trial along with the Respondent.

As to any inconsistency between her court testimony and the response to the complaint, the Respondent says in her response that she told the seller/builder that if he did not consent to an extension, then the contract would expire. Further, that if he did not sign the extension, then he should consult an attorney. Based on the judge's findings of fact, the Respondent did not even testify at the trial regarding whether or not she gave an opinion on the contract extension. Again, it appears it was only the principal broker that gave an opinion. That opinion was also based on her prior experience with similar circumstances and not necessarily a legal opinion.

There appear to be no violations as to skill and care. Further, there is no evidence the Respondent engaged or attempted to engage in the unauthorized practice of law as contemplated in unauthorized practice of law as contemplated in T.C.A. § 62-13-312(b)(19).

**Recommendation:** Close.

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

**16. 2021064131**  
**Opened: 9/27/2021**  
**First Licensed: 2/1/2006**  
**Expires: 8/28/2023**  
**Type of License: Principal Broker**  
**History: 2021 Failure to Supervise an Affiliate due to Lapse in Affiliate's E&O insurance**

This complaint was lodged by the same Complainants as in #15 above. The Complainants are the buyers, and the Respondent is the principal broker.

The Complainants entered into a construction agreement with the seller/builder in August 2020 to construct a spec. house. The date of completion was January 15, 2021. As that date approached, it became apparent the seller was not going to finish in time (lack of construction materials due to Covid). Consequently, the Complainants' broker approached the Respondent's affiliate broker about having the seller/builder amend the contract to finish at a later date. The affiliate broker also brought the matter to the Respondent who looked at the agreement and told the seller/builder that he could "let the contract expire." The Respondent also told the seller/builder that the most common practice is to extend the contracts under similar circumstances.

While the Complainants do not provide a reason, the seller/builder did not want to finish the house. The seller/builder terminated the contract the day after the proposed date of completion, which then led to the Complainants filing suit in chancery court to enforce the specific performance of the contract. The judge ruled on the case in September 2021 and determined the Complainants were also in breach of the contract as they had not secured financing at the time the seller/builder terminated the agreement. The judge could not determine who breached first, however. Although specific performance was not awarded to the Complainants, the judge did order all earnest money returned to the Complainants.

How the Respondent fits into this is that the Complainants allege that she engaged in the unlicensed practice of law by giving her opinion to the seller/builder on the contract extension. As to the allegation she engaged in the practice of law, the opinion she gave the seller/builder was not legal advice, rather only her observation based on the plain language in the subject contract and her prior experiences. According to the Respondent, she also advised the seller/builder to consult with an attorney if he was not going to extend the contract. Furthermore, there is no evidence the seller/builder relied on either the affiliate broker's or the Respondent's opinion as "legal advice."

There appear to be no violations as to skill and care. As stated above, the act of reviewing the purchase and sale agreement contract under the circumstances does not arise to the level of the unauthorized practice of law as contemplated in T.C.A. § 62-13-312(b)(19). There was also no failure to supervise the affiliate broker on the part of the Respondent.

**Recommendation:** Close.

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

**17. 2021064081**

**Opened: 9/27/2021**

**First Licensed: 5/31/2002**

**Expires: 2/21/2022**

**Type of License: Principal Broker**

**History: 2021 Agreed Citation for Advertising Violation**

The Complainant is a licensed affiliate broker, and the Respondent is his principal broker.

The Complainant lodged this complaint because he was broker-released by the Respondent and now feels the action violated his First Amendment Right of free speech. The Complainant filed a pro se lawsuit against a local builder for negligence as he claims the home has numerous defects. Apparently, the home was being used as a model home. As part of his frustration with the builder, the Complainant also posted signs on the builder's property, advising members of the public not to purchase their homes. Word of this likely got to the Respondent who later decided to part ways with the Complainant after he refused to remove the signs when the Respondent asked him to.

The Respondent says that he does not want an agent working for him that is "talking bad, slander [sic], or 'bad mouthing' anyone." There appears to have been some discussion about just taking

the signs down; however, the Complainant refused. The Complainant had only been affiliated with the Respondent for roughly two months.

The Respondent's decision to broker-release the Complainant did not violate the Complainant's First Amendment Rights. If the Respondent believed the signage was bad for business, he had the right to terminate the independent contractor agreement with the Complainant. The Respondent is a private employer and is not subject to the same constitutional restraints as a government employer might be. The Complainant's "belief system" or legal position relating to the builder is not a "protected class" that might otherwise protect him from termination.

**Recommendation:** Close.

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

**18. 2021061031**  
**Opened: 10/4/2021**  
**First Licensed: 12/9/2005**  
**Expires: 12/8/2021**  
**Type of License: Affiliate Broker**  
**History: None**

This Complainant is the sellers' broker, and the Respondent is the buyers' broker.

The Complainant says an offer was presented and accepted by her sellers on July 10, 2021. The compensation agreement was for 2.5% of the sales price as listed on the MLS. Later during the same day on which the offer was accepted, the Respondent contacted the Complainant and wanted the compensation to be 3% instead of 2.5%. The Complainant says she asked her sellers if they approved and they did not since the deal was done.

When the Complainant asked why such a change was asked for, the Respondent allegedly told her that her buyers thought the Respondent should get more since the offer was well over the list price. The Complainant got her sellers to agree to the change in fear the buyers might walk away from the deal. She also alleges the Respondent threatened to withhold the earnest money and walk away.

The Respondent says that her buyers' offer was \$25,100 over the listing price without any contingencies. The Respondent goes on to say that her buyers asked her to inquire if the sellers would pay an extra .5% to the buyer's commission. The Complainant's sellers agreed and the deal went through with those terms. The Respondent believes this complaint may be born out of some problems that occurred during the walk-through than the increased commission issue. Apparently, there was some disagreement about furniture that was to stay in the house.

There is no real evidence the Respondent threatened to walk from the deal if the Respondent's commission was not increased. The Complainant did not provide any emails or screenshots of texts. It appears the Complainant was well aware of the terms and got her sellers on board.

**Recommendation:** Close.

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

**19. 2021061061**  
**Opened: 10/4/2021**  
**First Licensed: 4/19/2021**  
**Expires: 4/18/2023**  
**Type of License: Affiliate Broker**  
**History: None**

The Complainant is the seller, and the Respondent is the seller's broker.

The Complainant reached out to the Respondent through a lead generation site. The Complainant was seeking to downsize and sell her current home. The Complainant wanted to find a new home and was hoping to do it contingent on selling the current house. Sometime after the Complainant signed the listing agreement, the Complainant decided she did not want to list the house anymore. The Complainant became frustrated as she had to jump through a number of hoops to get the house off the MLS (according to her).

The Respondent says the Complainant's home had been previously listed by the Complainant's cousin. The listing had already expired by the time the Respondent got involved. The Respondent says the Complainant wanted \$450,000 which was apparently \$125,000 more than what the "Comparative Market Analysis" said it was. The Respondent says she told the Complainant it would not likely sell for that price, and the Complainant agreed to drop the list price to \$399,900. After seemingly being in agreement to list the house at the reduced amount, the Complainant decided she did not want to list the property any longer. The house was on the MLS for roughly 24 hours according to the Respondent before it was taken down at the Complainant's request.

The issue, as of September 10, 2021, appears to be that the Respondent had not released the Complainant from the listing agreement because the Complainant refused to return the Respondent's lockbox and sign still at the Complainant's house. The matter may now be resolved as there has been no further communication from the Complainant.

This appears to be a complaint born out of the Complainant's frustration with her prior listing agent (cousin) and the inability to accept that the house would not bring the desired amount. The Respondent listed the house if even for a short time and then took the home off the MLS when the Complainant changed her mind. There appears to be no breach of the duty of loyalty.

**Recommendation:** Close.

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

**20. 2021063551**  
**Opened: 10/4/2021**  
**First Licensed: 2/13/2020**

**Expires: 2/12/2022**  
**Type of License: Affiliate Broker**  
**History: None**

The Complainant is the buyer, and the Respondent is the buyer's broker.

The Complainant says they made an offer to purchase a piece of land in a rural part of Tennessee. The Respondent supposedly told the Complainant the seller had accepted the offer. According to the Complainant, the seller did not check the box to "accept" or "decline" the offer. The Complainant says he brought this to the Respondent's attention who allegedly then told him she would have the seller check the "accept" box. A few days later, the seller withdrew from the contract. The earnest money was never deposited; however, it is presumed the earnest money was returned to the Complainant. The Complainant takes the position that due to the correct box not being checked, the seller was able to walk away from the deal. The Complainant says the Respondent did not utilize the necessary attention to detail, making it easier for the seller to walk from the deal. The property has now been re-listed at triple the price.

The Respondent says the Complainant made an offer on the subject property sight unseen with a few contingencies. The offer was emailed to the seller's broker. The seller's broker could not get in touch with the seller for a day or so, but eventually made phone contact with him. The seller accepted the Complainant's offer and signed the contract to that effect. A day or so later, the Respondent says she got a call from the seller's broker who told her the seller had changed his mind due to problems he was going through with his estranged spouse. The seller opted to cancel the contract. The Respondent says the land is now re-listed at a much higher price; however, the seller is a different individual and a different firm has the listing.

Ultimately, the seller might have decided to cancel the contract regardless of whether the "accept" box was checked. Arguably, the Complainant's legal argument might be more difficult if he decides to pursue such. The Respondent did not breach any duty of loyalty to the Complainant. The offer was communicated to the seller's broker in a timely fashion. The seller was simply not ready to sell.

**Recommendation:** Close.

**Commission Decision:** The Commission voted to issue a Letter of Warning for failure to exercise reasonable skill and care.

**21. 2021063841**  
**Opened: 10/4/2021**  
**First Licensed: 6/11/2008**  
**Expires: 6/10/2022**  
**Type of License: Affiliate Broker**  
**History: 2018 Consent Order for allegedly engaging in self-dealing and not acting on behalf of an entity with personal interest without prior written disclosure**

The Complainant is the buyer, and the Respondent is the seller.

The Complainant is a California resident that made an offer on a residence owned and listed by the Respondent. All personal interest disclosures were made during the course of negotiations.

On July 3, 2021, the Complainant submitted his initial offer. In an email to the Respondent, the Complainant stated the following after making the initial offer: “We are 100% cash and require very little contingencies, if any at all, willing to put down non refundable earnest money, and we are also very flexible on time moving out...” The Respondent made a counteroffer for non-refundable earnest money at \$30,000. The Complainant accepted the counteroffer a couple of days later.

In the meantime, the Respondent travelled from California to Tennessee to view the property. On July 12, the Complainant emailed the Respondent that the property was not located within close enough proximity to where his daughter takes horse riding lessons. As such, the Complainant asked to be released from the agreement and for the Respondent to return his earnest money. The Respondent refused.

The title company interpleaded the funds into court after the parties lawyered up. The funds were later paid to the Respondent through an Agreed Order filed with the court. As best counsel can discern, this complaint was lodged as a result of the Complainant’s loss.

Based on the documentation provided, the Respondent did not breach any duty of skill and care or fail to act with honesty and good faith. The terms of the counteroffer were very explicit, particularly, that the earnest money was non-refundable. There were also no terms that permitted the Complainant to walk from the deal based on finding a different, more suitable location.

**Recommendation:** Close.

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

**22. 2021064821**  
**Opened: 10/4/2021**  
**First Licensed: 9/7/1994**  
**Expires: 10/13/2022**  
**Type of License: Principal Broker**  
**History: None**

The Complainant is the buyer, and the Respondent is the buyer’s broker.

The Complainant says she made an offer on a lot (was seeking to build) that was accepted on May 17, 2021. The Complainant resided in Texas at the time and was attempting to sell her house there as well. The Complainant says she was supposedly instructed by the Respondent to send \$2,000 to a specific title company on May 21. The Complainant claims that several weeks went by of “not

making any progress toward closing.” The Respondent then suggested they amend the contract or negotiate a new one.

In mid-July, the Complainant says that the title company could not locate the earnest money. The Complainant claims she contacted the title company directly and was told that the Respondent had never sent the earnest money. Through tracking the wire transfer, the Complainant and title company found the money. When she confronted the Respondent, the Respondent supposedly told her that “no contract had ever existed” between the Complainant and the seller.

The Respondent says that she did attempt to get a final contract for the Complainant with respect to the subject property. She admits that the Complainant put an offer in; however, the seller neither countered the offer nor accepted it. The Respondent explains that the seller was in the middle of a refinancing and, therefore, the seller never committed to the agreement (the documents provided support this contention). The Respondent says she is still unclear as to why the Complainant mailed the earnest money. The Respondent says she called the title company when she found out the Complainant had mailed earnest money. The title company was also unclear whether a binding deal had been reached, therefore, they had never deposited the money. The Respondent claims she, in fact, assisted in locating the money contrary to the Complainant’s story. In the end, the Respondent received no compensation from this partial transaction.

It appears that no binding contract ever existed, which makes the issue of the Complainant’s earnest money somewhat perplexing. This happening may have resulted from spotty communication between Respondent and Complainant as the Complainant was in Texas. After the Complainant threatened to sue the Respondent, she says she stopped talking with her altogether. Both parties likely share some blame here.

**Recommendation: Letter of Warning for failing to exercise reasonable skill and care in providing services to all parties to the transaction Tenn. Code Ann. § 62-13-403(1).**

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

**23. 2021066321**  
**Opened: 10/4/2021**  
**First Licensed: 7/10/2000**  
**Expires: 1/14/2023**  
**Type of License: Real Estate Firm**  
**History: None**

The Complainant is an affiliate broker, and the Respondent is a realty firm and builder.

This is the same Complainant from #17 above. The Complainant alleges that he was broker released by his principal broker in #17 because of discussions the Respondent had with his principal broker. Specifically, that the Complainant was posting signs on their property, urging people not to buy from them. When the Complainant refused to remove the signs, his principal broker released him.

The Respondent's attorney says that the Complainant has not pleaded any allegations related to this complaint as part of his lawsuit against the Respondent. The attorney goes on to say that the complaint appears to allege "a person with [Respondent] contacting a former employer and that in no way, shape or form involves [Respondent]."

**Recommendation:** Close.

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

**24. 2021063741**  
**Opened: 10/11/2021**  
**First Licensed: 10/10/2005**  
**Expires: 7/15/2022**  
**Type of License: Affiliate Broker**  
**History: None**

The Complainant is a third-party but purports to be the buyer. The Respondent is the seller's broker.

The Complainant says they made a "full price cash offer" on a residence with \$7,500 earnest money on the seller's residence. There was apparently only an appraisal contingency but no inspection contingency. The Complainant goes on to say that they did want to switch to financing; however, the Respondent and her seller declined, so the deal was left at all cash.

According to the Complainant, the seller pulled out of the deal after the Complainant declined to remove the appraisal contingency. The Complainant says they were going to do a refinancing shortly after closing and needed the appraisal. The Respondent then took a different offer. The Complainant alleges the Respondent to be "unethical and of poor character."

The Complainant does not appear on any of the relevant documents included with this complaint. Possibly, the Complainant holds some position in the entity that was seeking to purchase the subject property. The entity is a TN limited liability company (LLC). Furthermore, the Respondent says it was the buyer (the LLC) that terminated the contract, not the Respondent. The earnest money was returned.

Regardless of who the Complainant is in this complaint, there were no violations of skill and care on the part of the Respondent. The Respondent appears to have dealt with the Complainant (whoever they were) fairly and honestly.

**Recommendation:** Close.

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



**25. 2021065491**  
**Opened: 10/11/2021**  
**First Licensed: 10/31/2003**  
**Expires: 10/1/2023**  
**Type of License: Real Estate Broker**  
**History: None**

The Complainant is the property owner, and the Respondent is the property management licensee.

The Complainant says he contracted with the Respondent's management company in October 2020 and was assigned the Respondent as his property manager. He says the Respondent is "unprofessional, rude, deceiving, and unwilling to adhere to any contract..." The Complainant says that the Respondent negotiated a lease in which the monthly rent was supposed to be \$1,500 a month. When he finally saw the lease, the monthly rent was \$1,100 a month. The Respondent supposedly told the Complainant that "the tenant would pay up front \$4,800 dollars to pay the difference of \$1,500 and \$1,100 over the course of 12 months." The Respondent's concern is that the lease is not consistent with the payment arrangements. Since it was a rental home approved by Section 8, the Complainant says the payment arrangement the Respondent worked out with the tenant violates Section 8 guidelines.

The Respondent says the prospective tenant was approved for a monthly rent of \$1,500 in January 2021. Due to the tenant's housing situation, the tenant needed a voucher approval from the local Tennessee community development corporation (Section 8) as she was moving in from Georgia. Since there was going to be a delay in the voucher's approval, the tenant was going to have to handle the lease herself until a new lease could be executed and signed with the Tennessee community development corporation.

The tenant then paid a \$1,500 deposit of which the Complainant was notified. In March, the Tennessee community development corporation only approved the voucher for \$1,100. In the interim, the Respondent executed an addendum to the lease whereby the tenant paid \$4,800 to compensate for the difference in rent. This included an upfront payment of the first month's rent, two months deposit, and a non-refundable cleaning fee of \$1,100. The Respondent says she explained everything to the Complainant (how the upfront fees and rent would equal out to the total amount in the original lease). A new lease was finally signed in the latter half of March after the community development corporation approved the rental property.

In June, the Respondent says the Complainant contacted her requesting that she participate in a conference call between the Complainant and his realtor. The Complainant agreed to the call. The point of the call was to see under what conditions the property could be listed and eventually have the tenant removed. The Respondent says she told everyone she could not do this as it would violate the tenant's lease agreement. A compliance officer from the property management company weighed in and opined that a 30-day notice to the tenant was improper and the lease must be adhered to.

A couple of weeks later, the Complainant notified the community development corporation that the tenant had paid \$4,800 in violation of the lease. The Respondent, once notified of the pending

termination of the tenant's lease, explained to the community development corporation that an addendum to the lease had been worked out in March given the change from one state Section 8 to another. The Respondent was actively attempting to have the tenant's lease revoked by Section 8 so he could sell the property.

The Complainant simply wants to sell the subject house and is looking for a way to get the tenant out. While it is his right to attempt this, the Respondent did not breach any duty of loyalty or fail to act with skill and care in dealing with the Complainant. Had the tenant not been approved to live in the Complainant's rental, the home would have lost rental income in the interim. Allegedly, the Complainant has since lost his ability to lease through/with Section 8. Unfortunately, the tenant's lease was also cancelled.

**Recommendation:** Close.

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

**26. 2021066121**  
**Opened: 10/11/2021**  
**First Licensed: 4/5/2017**  
**Expires: 4/4/2023**  
**Type of License: Affiliate Broker**  
**History: None**

The Complainant is the buyer, and the Respondent is the seller's broker.

The Complainant says he purchased the seller's house without using a broker of his own. He says that when he made his offer he was unaware that the adjoining lot was also for sale. The Complainant alleges the Respondent then sold the lot to the Respondent's family member. The Complainant now says the adjoining lot's new owner is thinking about building a house on the lot so it sells faster. Now the Complainant feels the Respondent was not forthcoming with him since he believes a new house that close to him will reduce his property values. He also thinks the Respondent's buyer's commission is wrong as she received a seller's commission as well. The Complainant closes the complaint with a request for the buyer's commission to be given to him.

The Respondent says that they did discuss the Complainant's unrepresented status. The buyer's commission was in the closing documents, although the Complainant likely didn't read each line. The Respondent also says she is not related in any way to the owner of the adjoining lot. She admits that she did live one street over from the home the Respondent purchased before moving five years ago.

The Respondent's primary duty was to her buyer, although there is no evidence she intentionally withheld relevant information from the Complainant. And there is no basis in law for the Complainant to be given or "awarded" any part of the commission.

**Recommendation:** Close.

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

**27. 2021066311**

**Opened: 10/11/2021**

**First Licensed: 4/17/2015**

**Expires: 2/10/2022**

**Type of License: Principal Broker**

**History: None**

The Complainant is the buyer, and the Respondent is the seller's broker. Coincidentally, both the sellers and the Respondent live in Florida.

The Complainant made an offer on the sellers' house in April 2021. It was a cash buy with a seven-day close. The Complainant says he was buying the house for his son who was relocating to middle Tennessee for a new job. The Complainant claims the Respondent told him she could make it happen. The house was part of the sellers' bankruptcy pending in Florida, so the bankruptcy court in Florida would have to approve the home's sale (the Complainant was well aware of this). The initial contract expired on June 18 as the court had still not approved the home's sale. In the interim, the Respondent got the Complainant's son in the house early at zero cost through the sellers' consent.

The bank approved the contract; however, the court would not approve the sale until June 25. The Complainant alleges the Respondent told him on June 25 that it would now be "July 25" before the court would approve the sale (per the sellers). The sellers would not extend the contract any further without the son paying rent. The Complainant alleges the Respondent told him she would have the son evicted in "3 days or less" if the son continued to occupy the house. A cashier's check was delivered to the Respondent on June 30 to avoid the sellers' backing out or a possible eviction. The Complainant then says the Respondent told him the sale was approved by the court the next day, July 1. When the Complainant asked if the rent check would be refunded, the Respondent told him she did not think it would, but she would ask. The sellers ultimately refused to refund the rent check. The bankruptcy court's order is dated June 25, 2021.

The Respondent's version of the story is much the same as the Complainant's up until the portion dealing with the rent. The Complainant's son had resided in the home for a month and a half without paying any rent or other compensation. The Respondent says the Complainant, initially, refused to pay rent. The sellers instructed the Respondent that if rent was not paid, they would begin eviction proceedings. At the same time, the Complainant bought some time by telling the Respondent he was trying to get his son qualified for a loan.

This satisfied the sellers for the time being even though they were, according to the Respondent, "very upset with the behavior of [Complainant] and his threats and did not want to continue with the sale." On June 29, an agreement was made to extend the original contract until July 30 with the Complainant paying \$1,300 in rent by cashier's check on June 30.

The Respondent then says, "we were notified a few days later that the judge signed off on the approval and we could proceed with closing." It is not clear how soon the sellers or the Respondent

found out the court had, in fact, signed the order approving the sale of the house. It is undisputed the order was signed on June 25; however, the order does state that all parties will be notified of the order within “3 days of entry of the order.” The sellers, and certainly not the Respondent, would not have had any knowledge of the court’s order on June 25 (fell on a Friday). By the time the sellers knew the court had signed the order, it was likely June 28 (Monday) at the earliest. The sellers may not have told the Respondent until the Complainant had already delivered the cashier’s check for the rent on June 30.

The Respondent goes on to say that closing was set for July 7. According to her, the Complainant was still unhappy about the rent. The Respondent claims she offered to talk with the sellers to see if they would mail the check back. The Respondent says the sellers declined. On August 31, the Complainant allegedly called the Respondent and threatened to take legal action if the funds were not returned. In the Complainant’s rebuttal, he claims the Respondent was “extorting” money from him/his son.

The Respondent likely could have avoided some of this by getting a second contract on the table prior to the end of June. This may have avoided the need for rent. Ultimately, however, the Respondent could not control whether the rent money was refunded. The request for rent, at the time, was reasonable given the uncertainty of the court’s pending action and the Complainant’s insistence that his son was not moving out. The matter was also made more difficult with the Complainant being unrepresented in the transaction. While not supported by any evidence other than the Complainant’s statement, the Respondent’s “eviction talk” may be the only instance where any violation occurred (services to each party to the transaction with honesty and good faith).

**Recommendation:** Close.

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

**28. 2021066611**  
**Opened: 10/11/2021**  
**First Licensed: 10/18/2018**  
**Expires: 10/17/2022**  
**Type of License: Affiliate Broker**  
**History: None**

The Complainant is the buyer, and the Respondent is the buyer’s broker.

The Complainant says he hired the Respondent with the purchase of a home. The Complainant claims an offer was made in September 2021. Shortly thereafter, the Complainant alleges the Respondent informed him that the seller wanted to consult with her attorney regarding some of the language in the sales/purchase agreement. The Complainant says the only contingency was that he got a pre-approval letter from the bank which he claims he got within 24 hours.

The Complainant then says he decided to contact the seller directly and “find out what was going on since we both agreed on the price and terms for purchase.” The seller supposedly told the Complainant that the Respondent called her and persuaded her that the Complainant “was not qualified to get the loan since it’s a conventional loan.” Additionally, the seller told the Complainant that she would need to provide the title for the mobile home and that the mobile home would have to be “attached to the ground instead of anchored.” Later that day, a new contract was supposedly entered into with a new buyer.

The Respondent says he has had a working, professional relationship with the Complainant since 2018. The Respondent claims to have represented the Complainant on two other matters. The Respondent considers him to be an “investor client.”

He says the Complainant contacted him regarding the property and asked him if he (Respondent) could write a contract on the property with a flat commission of \$1,000. The Respondent says he agreed and contacted the seller. The Respondent explains that by the time he spoke with the seller, the seller had already spoken directly with the Complainant and all that was necessary was an approval letter. That same day, the Respondent claims he found through tax information that the property belonged to the seller’s daughter and not the seller. The Respondent says he then contacted the seller and asked questions about the title and the condition of the mobile home as he was growing concerned about the Complainant waiving his rights to an inspection.

The daughter granted her mother (seller) a limited power of attorney to handle the sale. Once this was done, the Respondent then had the Complainant sign the offer. The offer was transmitted that same day, but no response was forthcoming from the seller. A few days later, the seller told the Respondent that she was having her attorney review the sales agreement but would have an answer by the following Friday. The Respondent says he informed the Complainant that he was still not under contract.

A couple of days later, the Complainant called back in a huff. The Respondent says that the Complainant accused him of negatively impacting the deal by asking questions about the mobile home’s title and conventional loan financing. The Respondent says the last deal he did with the Complainant was via a conventional loan and thought that was the best option. Then the Respondent claims the Complainant accused him of trying to buy the property “from behind his back.” The Respondent says he told him he was (and still is not) in no way involved in any other transaction relative to the subject property.

Following this, the seller told the Respondent she got a cash offer from another buyer. She told the Respondent to check back with her in seven days to see if the deal went through as she would still be interested in selling to the Complainant if not. The deal ultimately went through. In his rebuttal, the Complainant is still unmoved by the Respondent’s response. He believes the Respondent had ulterior motives and was trying to represent the seller and not him. He closes with, “As a real estate investor with years of experience, I do not need a real estate agent to negotiate on my behalf with the bank or with the seller.”

Based on the information in the complaint, the Respondent was attempting to look out for the Complainant's interest given what he later found out about the property. There is no breach of the duty of loyalty as the questions posed to the seller were prudent.

**Recommendation:** Close.

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

**CASES TO BE REPRESENTED:**

29. **2021058461**  
**Opened:** 8/30/2021  
**First Licensed:** 4/29/2021  
**Expires:** 4/28/2023  
**Type of License:** Affiliate Broker  
**History:** None

The Complainant is a TREC licensee living in Florida. The Respondent is a TREC licensee.

The Complainant alleges the Respondent is listing properties where the Respondent has a personal interest. He says that this fact is not disclosed on MLS. Next, he says the Respondent is operating a Team website in which the firm telephone number and address are not listed on the site. He also claims that his Team name on advertising is more prominent than his affiliated firm name. The photos of advertising included with the complaint do not contain the Respondent's name but another realtor.

The Respondent says that he has created a corporate entity that does work with other realtors in his area. He explains that a small portion of the properties in which he had a personal interest became active after he acquired his license in April 2021. He admits that one of the listings may have not included a personal interest disclosure/disclaimer. He says he has now updated that listing with the appropriate disclosure. As to the advertising, he says that the advertising provided by the Complainant is not his.

**Recommendation:** Authorize a contested case proceeding with authority to settle by Consent Order and payment of a \$500.00 civil penalty for a violation of Tenn. Code Ann. § 62-13-403(7)(A), which states: "A licensee who provides real estate services in a real estate transaction shall owe all parties to the transaction the following duties, except as provided otherwise by § 62-13-405, in addition to other duties specifically set forth in this chapter or the rules of the commission: Not engage in self-dealing nor act on behalf of licensee's immediate family or on behalf of any other individual, organization or business entity in which the licensee has a personal interest without prior disclosure of the interest and the timely written consent of all parties to the transaction."

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

**New Information: After re-examining the complaint and the Respondent's response, the Respondent did, in fact, have a personal interest disclosure attached to the MLS. The listing that did not have a personal interest disclosure belonged to another agent.**

**New Recommendation: Close.**

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

**PAMELA VAWTER:**  
**30. 2021056411**  
**Opened: 8/9/2021**  
**First Licensed: 6/27/2017**  
**Expires: 6/26/2023**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed affiliate broker.

Complainant alleges Respondent misrepresented property lines in an MLS listing. Complainant (buyer) alleges the purchase contract was based on 1.3 acres but was changed to 0.72 acres. Complainant contends the property description had to be changed before closing. She believes Respondent misrepresented the lot size and septic system. Complainant alleges Respondent represented both parties in the transaction but breached her fiduciary duty to the buyer because she was friends with the sellers.

Respondent submitted a response stating that she began working with the owner of the property (now deceased) in July of 2020. There was a discussion about the boat dock not being included in the property and that the field lines were on adjoining property which also the owner's. The owner wished to adjust the lot line. Over the next months, they consulted the Army Corp of Engineers and retained a surveyor to do the adjustment. Respondent states the owner contacted her on December 21, 2021, stating she had the survey, and Respondent informed the owner she would need to get it registered the following week. The owner never registered the survey. She passed away on May 23, 2021.

Respondent states she listed the lot with acreage stated in the tax records and also disclosed in the remarks that there was a pending survey, and the acreage would change. When the survey came back, Respondent adjusted the acreage and remarks. Respondent states the description had been already been updated in 2020 months before Complainant inquired about the property.

Respondent states Complainant first viewed the home on February 27, 2021. The survey stakes were out, and Respondent had a discussion with Complainant explaining the acreage, survey, and property line change, and the septic lines and boat dock. In a text message from Complainant (provided by Respondent), Complainant acknowledges knowing about the property line change as he inquires about going back to the original lines. Respondent states that the appraiser used an

acreage based on tax records and did not take into account the survey. It was discovered that the survey had not been recorded. It was then recorded. Respondent states Complainant had no issues with the acreage prior to receiving the appraisal and discovering the survey had not been recorded. He had known about the survey and property line change from the beginning. Respondent believes that once Complainant realized it was Respondent's word against theirs because the owner had passed away, he attempted to use it to force the seller's family into giving more acreage and the boat dock at no charge.

Respondent denies that the contract ever changed except for amendments concerning closing dates and furniture that would remain. Respondent provided a copy of the listing disclosing with acreage and septic system and messages with Complainant in which he was aware of the septic system.

Based on the information provided, there is insufficient evidence that Respondent violated the Commission's rules/statutes.

**Recommendation: Close**

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

**31. 2021058041**  
**Opened: 8/23/2021**  
**First Licensed: 4/1/2008**  
**Expires: 3/31/2022**  
**Type of License: Principal Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed principal broker.

Complainant entered into a contract to purchase a home listed by Respondent. Complainant contends Respondent listed the property as a 3,988 sq. ft. cabin, but that it was 640 sq. ft. smaller than listed. Complainant alleges Respondent refused to discuss the implications of the discrepancy with the seller when the appraisal came in short. The complaint alleges Respondent did not do her due diligence regarding the square footage because she used tax records plus information from the seller.

Respondent submitted a response stating the seller is an attorney and state representative whom Respondent believes understands contracts. Respondent states she is not a licensed attorney nor qualified to give legal advice. Respondent states Complainant was not present for any conversations she had with the seller and cannot speak to her due diligence. Respondent had many conversations with the seller. He was aware of any issues or progress, and his responses were communicated to Complainant's agent.

Respondent states the square footage came from the seller's estimates and this was disclosed on MLS as owner-sourced. Respondent states the tax records alone could not be used to calculate the square footage because the seller had made numerous additions, including an additional office,



bedroom, and exercise room or garage, which was not reflected in the tax records. Respondent states Complainant declined to do their own measurements. Respondent states the square footage was not relied upon for the appraised value. The seller nevertheless offered to terminate with no penalty to the Complainant, and Complainant declined.

Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**32. 2021058481**

**Opened: 8/23/2021**

**First Licensed: 4/27/2015**

**Expires: 4/26/2023**

**Type of License: Affiliate Broker**

**History: None**

Complainant is a licensed real estate agent. Respondent is a licensed affiliate broker.

The complaint alleges Respondent has listed properties for a company for which another licensed real estate agent is the treasurer without disclosing that the seller/licensee has a personal interest in the homes. Complainant also alleges that Respondent is operating a branch office without a principal broker and that his website and Facebook account do not contain the firm address and phone number.

Respondent submitted a response stating that he is not personally affiliated with the company for which the real estate agent is treasurer. He states that he did not understand that a personal interest form should be used, and that he will include it in the transactions going forward. Respondent states that his broker has discussed the importance of having all advertising materials approved through the procedures established at the firm. Once he received the complaint, he took immediate steps to change his website to bring it in compliance and added the required firm information on each page. Respondent denies having a branch office and states that the address Complainant refers to is the office of a lender who occasionally lets him meet with clients, and he has removed the address from his materials.

Respondent acknowledges that he (1) failed to include required personal interest disclosures; and (2) his internet advertising was corrected to include the required firm number and/or address. Additionally, in reviewing Respondent's Facebook page, the firm telephone number listed on file with the Commission does not appear more than one click away. Therefore, Counsel recommends the following: (1) a civil penalty in the amount of \$1,000.00 for violation of Tenn. Code Ann. § 62-13-403 (Duty to diligently exercise reasonable skill and care); (2) a civil penalty in the amount of \$500.00 for violation of Tenn. Comp. R. & Regs 1260-02-.12(5)(a) (Firm name and telephone number listed with the Commission must appear on each page of the website); and (3) a \$500.00

civil penalty for violation of Tenn. Comp. R. & Regs 1260-02-.12(6)(b) (Firm name and Firm telephone number listed on file with the Commission must be no more than one click away from the viewable page) for a total civil penalty of \$2,000.00.

**Recommendation: Authorize a total civil penalty amount of \$2,000.00 for the following violations (1) a civil penalty in the amount of \$1,000.00 for violation of Tenn. Code Ann. § 62-13-403 (Duty to diligently exercise reasonable skill and care); (2) a civil penalty in the amount of \$500.00 for violation of Tenn. Comp. R. & Regs 1260-02-.12(5)(a) (Firm name and telephone number listed with the Commission must appear on each page of the website); and (3) a \$500.00 civil penalty for violation of Tenn. Comp. R. & Regs 1260-02-.12(6)(b) (Firm name and Firm telephone number listed on file with the Commission must be no more than one click away from the viewable page).**

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

**33. 2021059761**  
**Opened: 8/30/2021**  
**First Licensed: 7/25/2003**  
**Expires: 8/23/2023**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed affiliate broker.

On July 10, 2021, Complainant entered into a contract to buy a home. Respondent was the listing agent. Complainant alleges that Respondent hassled him for approval information about the loan and was told that everything looked good. Complainant alleges he received an email on August 2, 2021, saying the house was back on the market. Complainant states he believed because of this that the seller had backed out, and he contacted his lender to cancel. Complainant alleges he inquired with his agent about his earnest money a few weeks later, and the agent told him the sellers did not back out of the contract. Complainant alleges his agent was told the sellers intended to keep the earnest money because Complainant backed out of the deal. Complainant believes he is entitled to receive his earnest money.

Respondent submitted a response stating that multiple offers were received on the property. Complainant had provided a pre-approval letter through Quicken. The seller requested Complainant consider using a local lender instead. The agent advised that Complainant had made an application with a credit union and only provided the Quicken letter to have something to send with the offer. Seller then accepted Complainant's offer on July 10.

Complainant's agent was having trouble receiving communication from the lender. The lender finally advised the agents on July 26 that an appraisal had been ordered and would be performed on July 28. Respondent kept reaching out to Complainant's agent for a copy of the appraisal and was being told the loan officer would not respond to the agent's requests. Respondent states the seller became worried that the closing would not happen on August 10. When Complainant's agent

had not heard from the lender by August 2, Respondent advised Complainant's agent that the seller had asked him to put the house on the market again so that he could receive a backup offer. When the buyer's closing office reached out to the lender, they discovered the buyer withdrew his application for the loan and no longer intended to close. The seller considered the buyer in breach, which caused the seller to take \$14,000 less from a backup offer.

Both agents prepared requests for release of the earnest money on August 10. Respondent was not the holder and did not make a determination about the earnest money. Respondent's principal broker provided a supplemental response stating that she was in discussions with Respondent, the seller, and Complainant's agent's broker about reaching an agreement for disbursement when Complainant filed the instant complaint on August 19. The discussions continued after the complaint was filed. The parties signed a mutual release to split the earnest money on August 30 and submitted it to the broker. Respondent's broker states she had the check ready for the buyer to pick up on August 31.

This is a contract dispute matter between the buyer and seller. Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**34. 2021054991**  
**Opened: 9/7/2021**  
**First Licensed: 7/10/2006**  
**Expires: 7/9/2022**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed principal broker.

Complainant alleges she purchased a property from Respondent that was listed as having new plumbing. After she moved into the property, Complainant states the sewer line had to be replaced and the cold-water line had leaks. Complainant alleges she did not receive a certification regarding the HVAC system from a licensed technician. Complainant contends Respondent has breached the purchase and sale agreement and seeks damages. Respondent denies Complainant's claims and states the inspector said everything was in working order. Respondent provided a timeline and pertinent documents regarding the transaction.

Respondent is the owner of the property Complainant purchased. Accordingly, the transaction is exempt from the provisions of the Tennessee Real Estate Broker License Act pursuant to Tenn. Code Ann. § 62-13-104(a)(1)(A).

**Recommendation: Close**

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

**35. 2021055521**  
**Opened: 9/7/2021**  
**Unlicensed**  
**History: None**

Complainant is an out-of-state resident. Respondent is the owner of a property investment company. Complainant alleges he rented a home from Respondent, and Respondent cancelled his reservation and was rude and unprofessional. Complainant alleges that Respondent's company website says it is involved in property management, but Respondent is not licensed.

Respondent did not submit a response to the complaint. Upon researching Respondent's website, Counsel did not find a reference to property management, and it appears that the Respondent's company owns the long-term rental properties. Respondent's website, however, did contain numerous short-term rentals. The website included a link to a video where Respondent states in the description that he is operating Airbnb rentals. Counsel was unable to find a Vacation Lodging Service license and/or designated agent.

Therefore, based on the information available, counsel recommends authorizing a \$1,000.00 penalty for operating a vacation lodging service firm without a vacation lodging service firm license and designated agent in violation of Tenn. Code Ann. §§ 62-13-104(b)(2) and (3).

**Recommendation: Authorize a \$1,000.00 penalty for operating without a vacation lodging service firm license and designated agent in violation of Tenn. Code Ann. §§ 62-13-104(b)(2) and (3).**

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

**36. 2021056531**  
**Opened: 9/7/2021**  
**First Licensed: 3/6/2000**  
**Expires: 8/14/2022**  
**Type of License: Principal Broker**  
**History: 2009 Letter of Warning; 2021 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance**

Complaint is a licensed timeshare agent whose license has been retired. Respondent is a licensed principal broker.

Complainant alleges she was an independent contractor employed by an organization as a timeshare agent. Respondent is the organization's principal broker. Complainant alleges she became concerned about exposure to COVID-19. She states it was agreed between her and management that she had decided to take time away during the pandemic. Complainant alleges

Respondent terminated her employment in September of 2020 without giving her notice. She states she received a letter from the Commission indicating that she had been broker-released.

Respondent submitted a response stating that, at the beginning of the COVID-19 outbreak, Complainant expressed concerns with contracting the virus and was given some time off as a courtesy. She returned to work, however, on May 26, 2020. Respondent states that after working six hours, Complainant advised Respondent that she was afraid to work and never came back, abandoning her position without further approval or discussion from Respondent. When Complainant never returned, Respondent submitted a TREC1 form releasing the Complainant on September 28, 2020.

In an email submitted to her employer regarding her health concerns, Complainant acknowledges that her decision not to return could lead to her termination. Complainant's license was retired on November 16, 2020.

Complainant's complaints concerning termination and notification from her employer appear to be an employment/contract dispute matter between the parties and outside the jurisdiction of the Commission. Complainant has the option to pursue legal remedies if she believes she has been wrongfully terminated or that Respondent is in breach of contract. Based on the information provided, there is insufficient evidence that Respondent violated the Commission's rules or statutes.

**Recommendation: Close**

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

**37. 2021057061**

**Opened: 9/7/2021**

**First Licensed: 2/4/2003**

**Expires: 1/10/2023**

**Type of License: Principal Broker**

**History: 2007 Letter of Warning; 2010 Consent Order for failure to maintain E&O insurance; 2020 Letter of Warning**

Complainant is an anonymous Tennessee real estate licensee. Respondent is a licensed principal broker. This complaint is related to Case Nos. 2021057021, 2021056961, and 2021056401 that were presented to the Commission at its October 2021 meeting.

The complaint says that one of the Respondent's affiliate brokers has inaccurate posts. Complainant contends that an agent with whom the affiliate was formerly affiliated is appearing in affiliates current advertising as a team member. Complainant alleges that the affiliate is tagged with her former affiliate on a Facebook page, the former affiliate is listed as a team member on the affiliate's Zillow page and website. Since becoming aware that the other affiliate was still linked, she has since taken down the old information and updated all advertising.

Respondent submitted a response stating that he has discussed the issues with the affiliate and reviewed the office policy with the affiliate requiring mandatory broker approval of all advertising, promotional, and marketing materials. He states he has also reviewed with the affiliate the Commission's rules on advertising. He states that he has conducted an independent review to confirm that any content at issue has been removed or corrected. Respondent alleges that some of the social media content predated her affiliation with Respondent's firm but should have been updated or removed at the time she became affiliated. Respondent has discussed with the affiliate the importance of vigilantly checking the internet and social media to make sure all materials are in compliance with the company's policy for accuracy. Respondent states his agents are actively supervised to ensure compliance with the Commission's rules and statutes, including new hire training. Respondent states it is his duty as principal broker to act quickly to ensure that issues are corrected and to provide education to avoid similar non-compliance in the future. Respondent acknowledges it is up to each principal broker and licensee to work to keep internet and social media postings up to date.

Based on the information provided, it appears that the inaccurate content remained for a few months while the affiliate was under Respondent's supervision and was corrected after the anonymous complaint was filed.

**Recommendation: Authorize a \$500 civil penalty for failure to supervise pursuant to Tenn. Code Ann. § 62-13-312(b)(15).**

**Commission Decision: The Commission accepted counsel's recommendation course of action and voted to increase the civil penalty to \$1000.00.**

**38. 2021060391**  
**Opened: 9/7/2021**  
**First Licensed: 5/26/1993**  
**Expires: 5/10/2023**  
**Type of License: Principal Broker**  
**History: None**

Complainant is a licensed affiliate broker. Respondent is a licensed principal broker.

Complainant is an agent for the firm that was designated in a contract as an earnest money holder. Complainant alleges the property went under contract on July 9, 2021. Complainant contends that her firm was to hold the \$3,000.00 earnest money deposit. Complainant states the earnest money was not received until August 10, 2021. Respondent is the principal broker for the buyer's agent. Complainant alleges the escrow funds were mishandled in this case because an email from the lender advised the Complainant that the funds were sent to the buyer's agent in mid-July.

Respondent submitted a response stating that the buyer made out the earnest money check to Respondent's firm. The original offer had provided that Respondent's firm would hold the earnest money. The counteroffer signed by the parties on July 9, 2021, however, provided that earnest money would be held at Complainant's firm. The buyer nevertheless mistakenly made the check

out to Respondent's firm on July 12, 2021. The check was mailed, and it was deposited into the Respondent's firm's trust account on July 23, 2021. The money apparently stayed in the firm's trust account for two weeks, during which time the contract went south when the seller did not respond to the buyer's repair/replacement proposal within a three-day period. Respondent and the seller's agent's broker did try to negotiate and revive the deal during this time. Respondent states Complainant sent a demand email to the buyer's agent during night on Friday, August 6, 2021, for the earnest money be delivered. A check made out to Complainant's firm was delivered on Tuesday, August 10, 2021.

Respondent does not provide an explanation why the earnest money was deposited and held at the firm for over two weeks before the funds were transmitted to the earnest money holder designated in the contract. Therefore, Counsel recommends a civil penalty in the amount of \$500.00 for violation of Tenn. Code Ann. § 62-13-312(b)(5) (failing within a reasonable time to remit moneys that belong to others).

**Recommendation: Authorize a civil penalty in the amount of \$500.00 for failure to timely remit moneys belonging to others in violation of Tenn. Code Ann. § 62-13-312(b)(5).**

**Commission Decision: The Commission accepted counsel's recommended course of action and voted to increase the civil penalty to \$1000.00.**

**39. 2021061561**  
**Opened: 9/7/2021**  
**First Licensed: 8/2/1996**  
**Expires: 9/2/2017**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a retired broker.

Complainant entered into a lease agreement to rent a home from Respondent. Respondent is the property owner. The parties are in a dispute concerning terms of the lease, and the conflict appears to have become personal. Complainant alleges issues regarding repairs to the home and times when maintenance persons are present, which pertain to the lease dispute.

Complainant alleges Respondent listed a home on a third-party website with the name of a real estate firm under Respondent's name. Complainant also submitted a snapshot of a search for the firm name and Respondent's name which shows links to old listings with Respondent's name. Complainant submitted a snapshot purporting to be from Respondent's Facebook that shows Respondent's work history as a real estate broker from 1993 – Present.

Respondent submitted a response denying that she is representing herself as a real estate agent. She states that her current Facebook page shows clearly that she is self-employed and only previously worked for the real estate firm. Respondent states the examples Complainant gives of alleged current listings are several years old. She states Complainant superimposed information

from old listings into a photo of a listing for property that Respondent purchased in August in order to make it appear like a current listing by Respondent. Respondent provided a copy of her Facebook resume showing that she is self-employed and that she had worked in the past at her former firm. She states the states this has not been altered for 3 years, and that Complainant provided an older resume that is on Facebook.

Respondent indicates the matters between the parties have been resolved. Complainant requested removal from the lease, and Respondent agreed to release her. Complainant signed a statement indicating she wished to dismiss the complaint. Respondent is an elderly retired person who does not appear to be engaging in brokerage activity. The property at issue is owned by Respondent. Based on the information provided, Counsel recommends a letter of warning that Respondent ensure that her social media and internet content comply with Tenn. Code Ann. § 32-13-301 (Prohibition against advertising or claiming to be engaged in broker activity).

**Recommendation: Letter of warning to ensure that Respondent's social media and internet content comply with Tenn. Code Ann. § 32-13-301 (Prohibition against advertising or claiming to be engaged in broker activity).**

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

**40. 2021061591**  
**Opened: 9/7/2021**  
**First Licensed: 5/4/1993**  
**Expires: 11/9/2022**  
**Type of License: Real Estate Broker**  
**History: None**

Complainant is an out-of-state resident. Respondent is a licensed broker.

Complainant alleges Respondent was the listing agent of a home that was being rented by Complainant's friends. Complainant alleges a county property assessment website described the home as 1,582 sq. ft., but that it was listed by Complainant as 1,700 sq.ft. Complainant states it remains listed at 1,700 sq.ft. Complainant does not believe the property looks large enough for the square footage to be accurate.

Respondent submitted a response stating that the complaint is the result of hard feelings by the tenants when the owner/landlord decided to sell the property in 2021. Respondent states the owner and the tax records were the sources of the square footage information, which she denoted in MLS. Respondent provided a copy of the tax record for property showing the square footage as 1,700 as listed.

Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**



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

**41. 2021061661**  
**Opened: 9/7/2021**  
**First Licensed: 9/3/2014**  
**Expires: 9/2/2022**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a licensed real estate agent. Respondent is a licensed affiliate broker.

Complainant alleges that a large family came to his office on June 8, 2021, interested in looking for houses. The daughter communicated with Complainant on behalf of the family because she spoke English. Complainant states he began showing them houses. The family found a home they liked on July 6, 2021, and wanted to make an offer. Complainant asked for an approval letter to be sent to him. The daughter told him the loan would be in the name of her brother and brother-in-law. Complainant showed the home to the brother and spoke via the daughter's phone to the brother-in-law. Complainant states he got their email addresses and advised he needed to get his contract signed in order to continue to represent them. Complainant states that before he could send the offer, the daughter advised that the father did not like the house. Complainant does not state whether they ever signed a buyers representation agreement. Complainant did not provide a copy of any agreement.

Complainant states that when he tried to reach the family on July 19, he got a lot of excuses why they were not available. Complainant states he found out that another agent (Respondent) had gotten the house for them. Complainant alleges he contacted Respondent via text, and that Respondent refused to give Complainant the contract.

Respondent submitted a response stating that the son had contacted her on April 22, 2021, about the family purchasing a home. Respondent showed the family homes on April 23, May 7, and July 11, July 13, and July 18. Respondent states that the family advised they were working with a lender. Respondent states the actual buyer, the daughter, and her brother were all there on July 18 when they found a home they liked. The daughter and brother asked Respondent to make an offer. Respondent also went over the offer with the brother-in-law, whose name would also be on the loan. The offer Respondent submitted became a backup offer that was accepted on July 27.

Respondent states at no time did anyone ever mention Complainant or working with anyone else. Respondent states she had never heard of him until he texted her on August 28 stating he was going to file a complaint. Respondent provided a copy of an Exclusive Buyer Representation Agreement executed on July 18, 2021, and the purchase and sale agreement.

Based on the information provided, there does not appear to be any violation of the rules or statutes of the Commission.

**Recommendation: Close**

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

**42. 2021061761**  
**Opened: 9/7/2021**  
**First Licensed: 3/8/2007**  
**Expires: 10/7/2022**  
**Type of License: Principal Broker**  
**History: None**

This complainant was administratively opened and relates to an original complaint filed against the firm. Respondent is the firm's principal broker. The complainant had alleged that he purchased 77 acres of land listed by Respondent's firm. The MLS listing noted "Utilities: Electric." After closing, Respondent contacted the local utility authorities to secure utilities and was told the closest source of electricity was approximately 700 feet away. Complainant was advised he would need to obtain permission from several adjacent property owners for easements for the utility company to cross their property or trim trees to facilitate new electric lines. Complainant states he purchased the property believing that electric services were already adjacent, but now he will be out for additional costs to service the building.

In response to the initial complaint, Respondent stated that he was aware there was some sort of issue with the power at one point but was under the impression the seller had worked it worked it out with the neighbor. He stated he did not follow up on the issue because he did not recall it being a big deal to the seller.

Respondent submitted a response to the instant complaint stating that he instructed his assistant that the property be listed as no utilities, but that did not happen. Respondent states that the buyer's agent led the Complainant to believe there was power. The buyer's agent told Respondent they had pointed to a telephone pole and told the buyer it was a power pole.

Respondent states that the parties came to an agreement to resolve the issues. The original complainant has subsequently reached out to counsel a couple of times stating that the parties reached a resolution, and that he does not wish to pursue the complaint.

Based on the information that has been provided, Counsel recommends the Commission authorize a letter of warning concerning exercise of reasonable skill and care in obtaining, confirming and/or providing accurate information for the listing.

**Recommendation: Letter of warning concerning exercise of reasonable skill and care in obtaining, confirming and/or providing accurate information for the listing.**

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

**43. 2021061911**  
**Opened: 9/7/2021**

**First Licensed: 7/8/2014**

**Expires: 2/11/2022**

**Type of License: Principal Broker**

**History: 2019 Consent Order for allegedly engaging in unlicensed activity and offering a rebate upon closing**

Complainant is a licensed affiliate broker. Respondent is a licensed principal broker.

Complainant alleges that she contacted her then principal broker (Respondent) on Sunday, August 29, 2021, to sign a transfer form. Complainant alleges Respondent told Complainant he would only sign her forms and release her license if she signed a statement agreeing to pay a 25% referral fee for any leads that went with Complainant to her new brokerage firm. Complainant states she declined to sign the document and told Respondent he could not hold any conditions to her release and threatened to file a complaint. Complainant submitted the instant complaint within half an hour alleging that Respondent failed to sign her transfer form promptly.

Complainant attached a copy of the alleged text message exchanges with Respondent on August 29, 2021, concerning the transfer. There are no time stamps on the messages. Upon reviewing the exchange, however, at no point does Respondent ever refuse to sign the form nor imply any conditions on signing the transfer form. Respondent merely states that he will call Complainant's new principal broker first thing in the morning to discuss the commission dispute.

Respondent submitted a response stating that Complainant sent her TREC 1 form to him on a Sunday, August 29, 2021, while he was not at home or in front of a computer. Respondent knew he would not be home until later that Sunday evening. Respondent signed the form when he got home. Respondent provided a copy of the form with verified signatures dated the same day on August 29, 2021. Respondent states Complainant told him she would be taking leads that are owned by Respondent's firm, and he told her he was going to speak to her new broker first thing on Monday morning to make him aware of the dispute. This is in line with the messages exchanged. Respondent stated he did call the new broker first thing the next morning and emailed the signed form to the new broker at 9:45 a.m. Respondent provided a copy of the email.

Based on the information provided, Respondent did not violate any rules or statutes of the Commission.

**Recommendation: Close**

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

**44. 2021059691**

**Opened: 9/7/2021**

**First Licensed: 10/14/2019**

**Expires: 10/13/2023**

**Type of License: Real Estate Firm**

**History: None**

Complainant is a Tennessee resident. Respondent is a licensed real estate firm.

Complainant alleges Respondent published inaccurate information on its website concerning the Complainant's property history. Complainant states Respondent's website indicated Complainant's property had been sold on May 21, 2021, for \$559,000. Complainant contends that he contacted the county clerk to confirm no sale had occurred. Complainant contacted Respondent requesting removal of the information, and acknowledges that Respondent removed the erroneous sale date and price. Complainant requested Respondent provided information from third party sources concerning the sale, appraisals, and closing, and alleges Respondent gave him "the runaround." Complainant contends Respondent's website contains estimated property values which Complainant considers a fictional appraisal.

Respondent submitted a response stating that the information its website concerning Complainant's property is not a listing but rather a publication of publicly available property data. Complainant contacted Respondent's customer care regarding the error. Upon verifying the sale data information was, in fact, an error, Respondent promptly removed it. Respondent states the error was due to a mistake from a third-party vendor with the tax parcel ID. The vendor was mistakenly reporting a sale for a tax ID number because of two letters in Complainant's tax ID number that were transposed. Respondent states its webpages contain public record information about property gathered by a third-party data collector from each county, the local MLS, and from user-provided submissions. Respondent states it also provides homeowners with tools to directly edit various facts that appear on each property page to ensure the information is as accurate as possible while providing homeowners to shape what information is disclosed to the public. Respondent states there is an option on each page for an owner to report inaccurate listed or sold information with links to the county website for property tax information.

Respondent states that an estimated property value on its site is not an appraisal or represented as such. It is a fixed, proprietary formula that calculates Respondent's estimate based upon public, MLS, and user-submitted data for the property and disclosed as such. Respondent's estimates change automatically based upon updates to a property's data or change in market conditions. Respondent states it strives to provide accurate estimates, but its estimates are meant to serve merely only as an opinion and starting point for a discussion concerning home value. Buyers, sellers, and owners are encouraged to supplement the estimate by doing other research such as requesting a CMA from a real estate agent and acquiring a professional appraisal.

Based on the information provided, Counsel finds there is insufficient evidence to establish a violation of the Commission's rules or statutes.

**Recommendation: Close**

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

**45. 2021064011**  
**Opened: 9/13/2021**  
**First Licensed: 2/16/2016**

**Expires: 2/15/2022**  
**Type of License: Affiliate Broker**  
**History: None**

This is an administratively opened complaint. Respondent is a licensed affiliate broker who previously submitted a complaint against another affiliate broker alleging she failed to take action to ensure that a buyer was not under an Exclusive Buyers Representation Agreement with another firm. The affiliate broker in that case submitted a response that included a letter from the buyer stating that they signed the Exclusive Buyer's Representation Agreement in an offer packet that was completed at the time of submitting their first offer for a home through the Complainant's services. The letter indicated they were under the impression that the buyer's representation agreement was exclusive to that sole offer and allege that Respondent failed to explain relevant details of the agreement. The Commission voted to open a complaint against Respondent concerning this allegation.

Respondent submitted a response stating that he and his assistant (also a licensed affiliate broker) presented the buyer with numerous listings. They showed the buyer a home, and the buyer wished to make an offer. Respondent states that he and the assistant then had a 45-minute discussion with the buyer during which they discussed each and every document required by the brokerage incidental to the offer, including the Exclusive Buyer's Representation Agreement. Respondent states that the buyer represented himself as a sophisticated buyer of real estate who has owned over 50 properties. Respondent states that, despite the buyer's professed sophistication and protestation that "we are wasting valuable time," Respondent thoroughly explained each and every document the buyer was requested to sign, including the Exclusive Buyer Representation Agreement that obligated the buyer to exclusively use the services of the Brokerage from the May 1, 2021 to or through July 29, 2021. Respondent submitted a signed statement from the assistant who was present when Respondent reviewed the agreement with the buyer. She states that she has been a real estate agent for four years. She states Respondent went over all of the documents with the buyer.

Respondent's principal broker also submitted a response stating that the letter alleged to have been written by the buyer is not signed and contradicts what the broker heard the buyer state regarding Respondent's services. The broker states that he and Respondent had called the buyer when they had attempted to settle the dispute over the representation agreement. The buyer confirmed to the broker that Respondent and the other agent did explain the Exclusive Buyers Representation Agreement, and told Respondent that he was "great" and "very helpful," and that he had just got in a rush and used another agent. The broker states it was clear in the conversation that the buyer understood that he had breached the agreement. The broker states that after Respondent went over the documents with the buyer for 45 minutes, the documents were emailed to the buyer, stating "please reread and let us know if you have any questions before signing." Respondent believes the buyer's letter was a self-serving attempt to create a defense to liability for breaching the exclusive representation agreement.

Based on the information provided, there is insufficient evidence to establish that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**46. 2021061781**  
**Opened: 9/13/2021**  
**First Licensed: 10/10/2018**  
**Expires: 10/9/2022**  
**Type of License: Affiliate Broker**  
**History: None**

This is an administratively opened complaint related to No. 84 (Case No. 2021039661), which is re-presented below. Respondent is a licensed affiliate broker.

An anonymous complaint was submitted against the Respondent entity in No. 84 (Case No. 2021039661) alleging that was an unlicensed real estate firm being operated without a principal broker. There was no response initially from the entity. The Complainant had provided an online website where the entity was marketed. The Respondent in the instant case was listed as the entity's agent for service of process on the Secretary of State's website. Based on the information available at the time, Counsel recommended authorizing a \$1,000.00 penalty for unlicensed activity against the entity and opening a complaint against the affiliate broker operating the entity for violations of Tenn. Code Ann. § 63-13-309(a)(1)(A) and Tenn. Comp. R. & Regs. 1260-02-.01(1).

Respondent has since been in touch with counsel and has provided information about the entity and a response. Respondent denies that the entity was ever a real estate firm. She states that entity was intended to be a rehab business for the sole purpose of her personal ownership of and investments in rehab properties. Respondent states that the entity never got off the ground and was never engaged in any business of any kind. She states she was unable to get funding after COVID with the housing market going through the roof. She states the entity has never had a single transaction and is in the process of being dissolved. Respondent states she has never engaged in, conducted, or advertised as real estate brokerage firm. Upon review of the webpage provided by the original anonymous, there is no indication that the entity was being marketed specifically as a real estate brokerage firm other than the Complainant's allegation.

Based on the information provided, there is insufficient evidence that Respondent has violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**47. 2021062571**  
**Opened: 9/13/2021**  
**First Licensed: 9/27/2018**

**Expires: 9/26/2022**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident and licensed home inspector. Respondent is a licensed affiliate broker.

Complainant's inspectors performed a home inspection for one of Respondent's clients. During the inspection, the inspector removed the dead front cover from the breaker box, which came in contact with a hot wire and tripped a breaker for the HVAC system. The incident caused damage to the area inside the panel and wiring. Complainant reported the incident to Respondent. Complainant took the position that the inspector could not have avoided the issue and would not pay for the damage. Respondent and Complainant emailed back and forth in disagreement. The exchanges became heated at one point, with both parties taking jabs at the other. Complainant alleges Respondent sent an email which Complainant considered threatening. Specifically, Respondent threatened to make a report on a realtor email database about being aware of issues with dead panel screws ending up in electrical wires during home inspections.

Respondent submitted a response acknowledging the dialogue between both parties became heated. Respondent states he later regretted the tone of his email. He later reached out to Complainant to apologize and Complainant and the owner are in the process of coming to an agreement over payment of the invoice.

This matter appears to be a dispute between the parties over who is responsible for an invoice. Regulation of ethical and contractual disputes are outside the jurisdiction of the Commission. Therefore, based on the information provided, Counsel finds there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**48. 2021062801**  
**Opened: 9/13/2021**  
**First Licensed: 2/10/2010**  
**Expires: 6/25/2023**  
**Type of License: Real Estate Broker**  
**History: None**

Complainant is anonymous. Respondent is a licensed affiliate broker.

Complainant alleges that Respondent conspired with builders to produce, negotiate, and execute new home construction contracts without land. Complainant alleges the builder's license was expired on two occasions. Complainant does not provide any documentation.

Respondent submitted a response denying the allegations and stating that she works for a builder designing custom homes, which has nothing to with purchase, sale, or leasing of real estate. Respondent alleges she does not have information about the assertions in the anonymous complaint and states she has been a real estate agent in good standing since 2010.

Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**49. 2021061971**

**Opened: 9/20/2021**

**First Licensed: 3/14/2014**

**Expires: 3/13/2022**

**Type of License: Affiliate Broker**

**History: None**

Complainant alleges a listing agent advertised property as lake front. Complainant alleges he discovered maps after closing that indicated the property is not lake front. Complainant believes he was duped into paying a higher price lake frontage. Complainant does not provide a copy of the alleged maps.

Respondent submitted a response stating that the property is, in fact, lake front. Respondent provided a survey. Respondent states the lake levels are controlled by TVA, and, therefore, some areas do not have year-round water. Respondent states the required disclosure forms were all attached to the listing documents and available to the buyers through their agent. Respondent states the buyers, who were represented by an agent, were given the opportunity to inspect but decided to waive it. Respondent states the property was listed for \$479,000. Complainant and co-buyers submitted an offer that was further negotiated and later agreed upon at a discounted purchase price of \$425,000.

The survey map of the lots that Respondent provided indicates that the property is lake front. Complainant did not provide a copy of any maps or documentation to the contrary. Based on the information provided, there is insufficient evidence that Respondent violated the Commission's rules/statutes.

**Recommendation: Close**

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

**50. 2021062211**

**Opened: 9/20/2021**



**First Licensed: 10/17/2016**  
**Expires: 10/16/2022**  
**Type of License: Principal Broker**  
**History: None**

Complainants are out-of-state residents. Respondent is a Tennessee-licensed principal broker.

Complainants are in a contract dispute concerning the sale of their home. Complainants allege Respondent represented the buyer and Complainants. The buyer was deployed overseas at the time Complainants entered into the purchase and sale agreement on May 29, 2021. The closing was set out 45 days to July 14, 2021, because of the VA financing. On July 14, the lender's underwriter requested an addendum to extend the closing to July 23. Complainants became increasingly frustrated with Respondent over how long it was taking to close as they were living in a temporary rental. On July 21, Respondent told Complainants everything was on track to close as the documents were emailed to the buyer. On July 23, however, the buyer advised he was having trouble finding a notary in Qatar. He had been unsuccessful getting the papers notarized at the embassy. Sometime between July 23 and 25, the buyer was able to have the paperwork notarized and paid \$700 for expedited shipping. Respondent had the tracking information. The shipping got held up. When the paperwork had not arrived by August 2, Complainants consulted an attorney and decided to cancel the contract.

Respondent states that she kept Complainants updated on the status of the delivery. On July 29, the tracking showed the paperwork was in Ohio with a delivery date of Friday, and she informed Complainants. Complainants decided they did not want to go forward with the contract, although that the buyer had already executed the paperwork. Once they decided they wished to cancel they contract, Complainants stopped responding to Respondent about the transaction. At Complainants' request, Respondent released them from the listing agreement on August 4.

This matter appears to be about a contract dispute between the buyer and sellers. Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**51. 2021062721**  
**Opened: 9/20/2021**  
**First Licensed: 9/13/2002**  
**Expires: 12/7/2021**  
**Type of License: Principal Broker**  
**History: None**

Complainant and Respondent are both licensees. Respondent has filed a number of prior complaints against Complainant alleging advertising violations. Complainant has now filed this

complaint against Respondent alleging that a Facebook post did not have Respondent's contact or firm information. Complainant did not provide a copy of the alleged post to review. Respondent submitted a response stating that if any posting had incorrect information, it was not intentional, but that there was no post provided with the complaint from which to respond.

Based on the information provided, there is insufficient evidence that Respondent violated any rules or statutes of the Commission.

**Recommendation: Close**

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

**52. 2021064661**

**Opened: 9/20/2021**

**First Licensed: 6/29/1987**

**Expires: 11/15/2022**

**Type of License: Principal Broker**

**History: None**

Complainant is an out-of-state resident. Respondent is a licensed principal broker.

Complainant purchased land on March 5, 2021, that was listed by Respondent. Complainant wished to use the property to build 8 multi-family units. Complainant alleges Respondent told Complainant's agent that the property was already zoned for 8 units and provided a copy of the variance from the local planning commission. Complainant alleges she discovered in July that the variance was expired. She alleges she was told by the Director of Codes that the laws had changed and only 2.5 units could be built. Complainant contacted Respondent and became upset when Respondent suggested calling an attorney. Complainant believes she overpaid for the land and is considering legal action against Respondent and the seller.

Respondent submitted a response stating that he provided Complainant's agent with a copy of the variance when Complainant's agent first contacted him on February 3, 2021, regarding the property. Respondent provided a copy of the variance allowing the property to be zoned for an 8-unit, multi-family structure, along with a copy of the application and Board of Zoning Appeal's agenda, and application. There was no indication of any expiration period. Respondent provided a copy of the text message exchange with Complainant's agent. When the agent inquired if the variance would transfer to a new owner, Respondent advised them to check with an attorney. Respondent states he has no knowledge if Complainant ever did so. Respondent states Complainant's agent or Complainant contacted county officials to verify the variance documents. The property went under contract on February 5, 2021 and closed on March 5, 2021. On April 1, 2021, the county codes official sent an email to Complainant affirming the variance and letting her know to call him to obtain a building permit. Respondent provided a copy of the email. Respondent states that, according to Complainant, she met with the county officials in June, and they decided not to honor the variance. Respondent states he had no information from which to predict the

county's later decision. Respondent states he is not an attorney and cannot help Complainant with a case against the county.

Based on the information provided, there is insufficient evidence that Respondent violated any rules or statutes of the Commission.

**Recommendation: Close**

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

**53. 2021061651**  
**Opened: 9/27/2021**  
**First Licensed: 12/4/2002**  
**Expires: 11/26/2021**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed affiliate broker.

Complainant contends her father entered into a contract on or about July 2, 2021, to purchase certain property. Respondent represented Complainant's father ("buyer") in the transaction. The contract was contingent on financing. The buyer submitted a check for \$500.00 in earnest money (paid by Complainant) that was held by Respondent's firm. Complainant alleges that the buyer received a denial letter on financing, and Complainant requested to have the earnest money refunded. Complainant alleges that Respondent told her by text that the seller and his agent refused to give the earnest money back. Complainant filed the instant complaint to requesting to return of the earnest money.

Respondent submitted a response stating that the buyer had applied for and was declined a loan in the amount of \$180,000.00. The contract price of the property was \$25,000.00. Respondent states that the buyer and Complainant would not send the denial letter. Respondent obtained a denial letter from the loan officer on August 18, 2021. Respondent spoke with the listing agent who advised that the seller was concerned that the buyer had not notified the seller in a timely manner and the declination letter was for an amount much greater than the purchase price, and the seller may take the position that he could claim the earnest money. Respondent discussed the conversation with Complainant via text message exchange on August 19, 2021, (which Respondent provided), and Complainant requested that the earnest money be refunded. Complainant immediately began making threats about legal action. Respondent told Complainant that she would advise the seller's agent about the earnest money request and see if they would agree to the release. Complainant filed the instant complaint a week later on August 26. Respondent received notice the same day that the seller would agree to sign the release and return the money. A release was executed and the money refunded to the buyer on August 30, 2021. Respondent provided a copy of the documents and messages.

Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**54. 2021061821**  
**Opened: 9/27/2021**  
**Unlicensed**  
**History: None**

Complainant is an out-of-state resident. Respondent is an out-of-state resident.

Complainants entered into a contract purchase a home. Respondent's company is the seller. Complainants allege the listing did not identify there was an easement with a high voltage power line on the property. Complainants allege the Respondent/seller misled them and failed to disclose relevant facts. Complainant asks for release of their earnest money held by a title company.

Respondent submitted a response via her attorney stating that Respondent is not a real estate agent and has never represented herself as a real estate agent or engaging in broker activity. Respondent denies the Complainants were misled. Respondent alleges the complaint is retaliatory because when the parties were in dispute over the earnest money. The parties have since come to an agreement and Complainant was refunded the earnest money deposit.

This appears to be a contractual dispute matter between the buyer and seller, which has been resolved. Respondent is the owner of the investment company that is selling the property to Complainants. Based on the information provided, there is insufficient evidence that Respondent engaged in an unlicensed activity

**Recommendation: Close**

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

**55. 2021064451**  
**Opened: 9/27/2021**  
**Unlicensed**  
**History: None**

This complaint is related to No. 54 above (Case No. 2021061821) and concerns the same transaction. Complainant appears to be an out-of-state agent who represented the buyers. She states the buyers planned to move to Tennessee and intended to purchase land here. The buyers discovered there was a high voltage power easement and wanted to be released from the contract.

Complainant states there was language in the contract suggesting that Respondent's company is registered in another state but has a presence in Tennessee.

Respondent's attorney does not address in the response whether the company is registered as a foreign entity in Tennessee, which is outside the purview of the Commission. Based on the information provided, there is insufficient evidence that Respondent engaged in an unlicensed activity

**Recommendation: Close**

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

**56. 2021062321**

**Opened: 9/27/2021**

**First Licensed: 1/19/2021**

**Expires: 1/18/2023**

**Type of License: Principal Broker**

**History: None**

Complainant is a licensed affiliate broker. Respondent is a licensed principal broker.

Complainant alleges she called the phone number on an MLS listing that was FSBO. Complainant contends a woman who was not the seller answered the phone and took information from Complainant for the seller. Complainant alleges the woman confirmed she was not the seller nor a licensed agent. Complainant contends that Respondent listed the information in MLS and should be held accountable for an unlicensed person working as an agent.

Respondent submitted a response stating that he offers an "MLS entry only" service and that this is disclosed in the listing. Respondent states that the seller is responsible for all showings, questions, offers, and this is made clear in the listing as well. Respondent states that seller's phone number of choice is listed as requested, with a note to reach out to them directly. Respondent states that most often the sellers provide their own numbers, but on rare occasions the phone number provided is one that reaches another person. Respondent states he was not involved in the phone conversation in question and has no knowledge about what was said. Inputting the phone number provided by the seller was the extent of his involvement. Respondent states that if an administrative contact oversteps into the territory requiring a license, that is not within his control or within the intent of his services. Respondent does not encourage or condone unlicensed people to engage in activity requiring a license.

A copy of the MLS listing in question states as follows: "Entry listing only. Contact seller directly at [phone number provided] for all showings, questions, and offers." Based on the information provided, there is insufficient evidence the Respondent violated any rules or statutes of the Commission.

**Recommendation: Close**

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

**57. 2021064241**  
**Opened: 9/27/2021**  
**First Licensed: 2/2/2011**  
**Expires: 2/1/2023**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a licensed real estate agent. Respondent is a licensed affiliate broker.

Complainant contends that Respondent contacted sellers whom Complainant represents. The sellers' property was under contract. Complainant alleges Respondent told the sellers they should have used Respondent and not Complainant, told the client she could not afford the house she is buying, and stated Complainant is too young and inexperienced to know what he is doing.

Respondent states she and the seller are lifelong friends, and the seller is also a past client. Respondent states she called her friend and told her she saw the listing on MLS and just wondered why she was selling because Respondent had just sold the house to her on September 2, 2020. Respondent asked if she had done anything wrong. Respondent states the seller told her that Complainant was helping her grandchildren to secure another home. According to the friend/seller, Complainant told them that, in order for the grandchildren to secure the house they wanted, the friend would need to list her home with Complainant, and the friend was staying out of the sale. Respondent stated her response was that she understood, especially in the current market.

Respondent states that she did not make any effort to solicit a represented party. Respondent denies stating that Complainant's client should have used Respondent as the listing agent or that the client could not afford the house. Respondent states the seller/friend stated she was proud of her grandchildren but concerned they were getting in over their heads. Respondent stated she responded: "Sometimes you have to let your children make their own decisions." Respondent denies opining that Complainant was too young or inexperienced. When the seller/friend advised who the agent was, Respondent states she responded that she did not know Complainant had gotten into real estate.

Based on the information provided, there is insufficient evidence that Respondent violated the laws or statutes of the Commission.

**Recommendation: Close**

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

**58. 2021064681**  
**Opened: 9/27/2021**

**First Licensed: 7/28/2017**  
**Expires: 9/15/2023**  
**Type of License: Principal Broker**  
**History: None**

Complainant is a licensee. Respondent is a licensed principal broker. Complainant contends she was released from Respondent's firm on September 10, 2021. She states that after she was released, she was "informed" that the current broker resides out-of-state and not in Tennessee. Complainant also believes she was wrongfully terminated because she was being held accountable for license requirements of other team members.

Respondent submitted a response stating that she is the principal broker and Director of Property Operations for a property management company in Tennessee. Her current residence is out-of-state as her broker application stated. She states the employees and leasing agents of the company have a direct line of communication to her at all times during regular business hours. She states Complainant was terminated on September 10, 2021, and a broker release request was submitted online the same day.

Complainant's complaint concerning an employment dispute matter is outside the jurisdiction of the Commission. Complainant does not provide evidence that any brokers are inadequately supervised. Based on the information provided, there is insufficient evidence that Respondent violated the Commission's rules or statutes.

**Recommendation: Close**

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

**59. 2021064711**  
**Opened: 9/27/2021**  
**First Licensed: 10/18/2007**  
**Expires: 3/8/2023**  
**Type of License: Real Estate Broker**  
**History: None**

Complainant and Respondent are licensed real estate agents.

This a complaint against an association of realtors regarding how their board conducts business. Respondent serves as a director and is mentioned in some of the allegations. Specifically, Complainant alleges Respondent remained on the board after it was discovered that a prior CEO had engaged in embezzlement. Complainant alleges that Respondent and three other agents formed a task group with another association and that the group engaged in secret meetings to change the MLS platform in attempt to destroy evidence linking to money laundering and theft. Complainant alleges that Respondent's firm shares an office with another agent on the board, and that this amounts to unlawful control of the board.

Respondent submitted a response stating that she was a director at the time it was discovered in 2016 that the association treasurer had misappropriated funds. Respondent states she stayed on as director because it was her fiduciary responsibility to assure the board worked hard to investigate and rectify the situation. Respondent stated that when the contract with the MLS platform was nearing expiration, the board had to decide whether to stay with provider or search for a new MLS system. Because several complaints had been received concerning the current provider, the MLS committee decided to meet with other providers to compare products. The MLS chair asked the committee to form a task force to study the packages. The task force met with another association whose contract with the provider was nearing expiration. Respondent states she did not make the decision nor did the task force meet in secret. Respondent states she has no knowledge of any money laundering and denies any allegation of involvement in any criminal activity. Respondent states the board is comprised of nine members selected annually by the membership, and no one person or office controls the board. She states her prior brokerage shared a suite with another member's firm, but they were separate firms and shared no transactions.

Complaints against the actions of the realtors' association through its board and committees are outside the Commission's authority. Based on the information provided, there is insufficient evidence that Respondent violated rules or statutes of the Commission.

**Recommendation: Close**

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

**60. 2021064971**

**Opened: 9/27/2021**

**First Licensed: 1/11/2007**

**Expires: 3/31/2022**

**Type of License: Principal Broker**

**History: 2016 Consent Order for Failure to Supervise an Affiliate**

Complainant is a Tennessee resident. Respondent is a licensed principal broker.

Complainant alleges that he was dealing with an affiliate broker working under Respondent. Complainant alleges the affiliate has a criminal history. Complainant states he called Respondent requesting to be released from the buyer agency agreement with Respondent's firm, and Respondent was rude and unapologetic. Respondent alleges the agent's criminal history should have been disclosed.

Respondent submitted a response stating that Complainant is not under any buyer agency agreement with the firm. Respondent states that Complainant's partner/girlfriend did have a buyer agency agreement Respondent's brokerage. Respondent reached out to the client, who stated she had concerns about working with the agent after she did a Google search of the agent's husband and found that the husband had a criminal record. Respondent explained that the husband was not a licensed agent and does not represent her. He explained that the agent had an excellent track record with zero complaints. Respondent states the client was still insistent on being released.



Respondent states he told her that would not be a problem and instructed her to communicate with the agent to request the release in writing, and he would sign off on it. Respondent states Complainant called a few minutes later demanding a release, threatening Respondent, and talking over her in a loud voice. After Respondent hung up with the Complainant, she called the agent and told her to send the release, which was signed by all parties shortly thereafter on the same morning. Respondent states Complainant still filed the instant complaint after the client/girlfriend had already been released from the buyer agency agreement.

Based on the information provided, Respondent has not violated any rules or statutes of the Commission.

**Recommendation: Close**

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

**61. 2021062951**  
**Opened: 9/27/2021**  
**Unlicensed**  
**History: None**

Complainant is a Tennessee resident. Respondent is an investment company that entered into a contract to purchase property owned by Complainant's company. Complainant alleges that communication with the title company was poor. He states the title company informed him on September 7, 2021, that the escrow was returned to the buyer (Respondent). Complainant believes the title company (escrow agent) and Respondent are in breach of contract. Respondent submitted a response stating that the title company was delayed in processing the contract cancellation, and that Complainant has received the earnest money and confirmed receipt.

This is a contract dispute between a buyer and seller. Complainant does not allege that Respondent participated in any brokerage activity. Based on the information provided, there is no evidence that Respondent engaged in any unlicensed activity.

**Recommendation: Close**

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

**62. 2021065341**  
**Opened: 10/4/2021**  
**First Licensed: 1/16/1973**  
**Expires: 8/1/2022**  
**Type of License: Principal Broker**  
**History: 2020 Consent Order for Escrow Account Violation**

Complainant is a licensed affiliate broker formerly with Respondent's firm. Respondent is a licensed principal broker. The parties are in dispute over commissions from a sale on June 4, 2021. Complainant states that he and the Respondent had a dispute regarding Complainant's proposed recommendations to the seller. Complainant alleges Respondent terminated him as a result of the dispute. The property closed and Complainant alleges he is owed commission. He alleges Respondent engaged in unethical and unprofessional conduct.

Respondent submitted a response detailing the dispute that arose and reasons for terminating Complainant. Respondent states Complainant took files from the office. Respondent states the seller signed a new listing agreement after Complainant was terminated, and Respondent procured a higher price.

This is a dispute between the parties regarding commissions and Complainant's release from his affiliation, which are matters outside the authority of the Commission. Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**63. 2021065401**  
**Opened: 10/4/2021**  
**First Licensed: 3/16/2016**  
**Expires: 3/15/2022**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed affiliate broker.

Complainant alleges he closed on property on November 9, 2020. The seller completed a Tennessee Residential Property Condition Disclosure form. The seller answered "no" to whether seller is aware of flooding problems or settling or soil problems. Complainant alleges that his basement flooded on February 15, 2021. Complainant states he has found evidence of erosion of soil from underneath the basement floor.

Respondent submitted a response stating that she was the listing agent for the sale of the property. Respondent states she did her job to the best of her ability. Respondent provided the required Tennessee Residential Property Disclosure form to her clients, who filled it out and returned it to her. She then included it with the MLS listing so that potential buyer's agents had access to provide to their clients.

Complainant does not allege that Respondent had any knowledge of issues with flooding or erosion on the property, nor any indication Respondent had reason to disbelieve the seller's disclosure.

Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**64. 2021065651**  
**Opened: 10/4/2021**  
**First Licensed: 1/19/2000**  
**Expires: 9/8/2023**  
**Type of License: Principal Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed principal broker.

Complainant contends he made an offer on property listed by Respondent, and Respondent emailed Complainant's agent stating the seller would not accept the offer. Complainant's spouse then went to the seller's home to question the seller about whether the offer had been presented. Complainant alleges the seller stated he had not heard from Respondent.

Complainant states he submitted another offer on the home for asking price with a 30-day closing and inspection contingency. Complainant asked for response by the next morning. Complainant states his agent told him Respondent stated the seller wants all offers submitted to be the highest and best and would accept an offer by 6pm with a 9pm response time. Complainant alleges that Respondent would never again answer his or his agent's calls. Complainant submitted the same offer without the response time. Respondent texted Complainant's agent to advise the sellers accepted another offer. Complainant states they again went to the sellers' home to question them. Complainant alleges the sellers indicated they wanted to counter the offer, but Respondent told them no. Complainant alleges the seller told him Respondent convinced them to accept a higher offer contingent on the buyer selling the home.

Respondent submitted a response stating that the subject property was on the market twice, and Complainant was given multiple opportunities to purchase the home. Respondent states Complainant was not able to offer terms acceptable to the sellers and was unwilling to accept the sellers' counteroffer when the property went back on the market.

Respondent states allegations that she did not present offers to the seller are false. The first offer was made prior to the home being live on the market and was \$35,000 below asking price. Respondent states the seller did not take the offer seriously. In addition, there were 12 showing appointments scheduled for the first day on the market, and the sellers told Respondent to notify Complainant's agent of such. Regarding the second offer, Respondent states that Complainant did not provide proof of funds, offered a closing date that was contrary to what the sellers stated on MLS, and included a 10-day inspection period. Respondent states the sellers rejected the offer. Respondent provided a copy of the rejected offer.

Respondent denies she did not return phone calls and states she had no messages from Complainant. Respondent states she had multiple conversations with Complainant's agent. Complainant provided a copy of text messages asking Complainant's agents several times to call.

Respondent provided a copy of text messages from the sellers about Complainant showing up at the home uninvited. One occasion was early in the morning, and Complainant woke the sellers' baby. Respondent states the sellers called her upset, and she advised calling the police.

Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**65. 2021065841**  
**Opened: 10/4/2021**  
**First Licensed: 7/26/2019**  
**Expires: 7/25/2023**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed affiliate broker.

Complainant alleges that Respondent "[f]alsely listed on the MLS listing and sold as a city sewer but is septic." No further information is provided.

Respondent submitted a response stating that he met at length with the seller to discuss the sale of the property. The seller completed a Property Condition Exemption because he had never lived on the property. Respondent states the only time he had the water on was during the appraisal. The water was turned on and off at the meter.

Respondent states that the seller informed Respondent at their first meeting and throughout that the property had all city amenities, including city water, natural gas, and sewer. Respondent states he contacted the City utility department and checked to see if the city sewer was included with city water and gas. Respondent states the City officials told him there was city sewer. In a later conversation, the seller again affirmed to Respondent that there was city sewer. Respondent provided a copy of a message exchange with the seller in which he inquired if the house had public sewer or septic tank, and the seller stated it had public sewer through the City. Respondent also provided a copy of a disclaimer on the listing stating that the information was not warranted.

The Complainant has not provided any information or documentation regarding his claims. Respondent contacted the City to check the seller's statement regarding the public sewer, and the

City officials confirmed the information. Therefore, based on the information provided, there is insufficient evidence to establish that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**66. 2021065601**  
**Opened: 10/4/2021**  
**First Licensed: 10/3/2016**  
**Expires: 10/2/2022**  
**Type of License: Real Estate Firm**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed real estate firm.

Complainant contends she purchased a home with an FHA loan, and no inspection was done. Complainant alleges she was promised that there was a one-year warranty for the house after purchase. She states that she had problems with plumbing after the purchase, and a realtor paid out-of-pocket to hide that the house was not covered. Complainant states she has broken windows and glass in her carpet.

Respondent's broker submitted a response stating that Complainant was given the opportunity to have a home inspection and stated she did not want to have one done. Respondent listed the property. The home was purchased with an FHA loan, and the appraisal came in above value with no repairs. Respondent states the house does have a home warranty on it that was purchased for Complainant, and Complainant has been provided numerous copies of the warranty via Respondent's office and the warranty company. Respondent states they have verified that they have Complainant's correct address. Respondent states the warranty is in place for one year. Respondent provided a copy of the warranty.

Respondent stated Complainant called a few days after purchase angry about water running under her house and alleging that all her pipes were busted. Respondent states this had not been the case four days prior during the final walkthrough when Complainant checked everything. Respondent states that they did send a plumber at no cost to Complainant to see what the issue was. Respondent states that they often do this with buyers as a courtesy shortly after a purchase. The issue was a drainpipe under the bathtub that had come loose. Respondent states they have no knowledge of when or how it came loose, and it was an easy fix. The plumber checked the other pipes to make sure there were no issues.

Respondent states the home had been deep cleaned the day before the closing. Complainant began calling over a month after the closing stating there was glass all in her house. Respondent checked with the cleaning company, who stated there was no glass during the deep cleaning, and, if present, would have damaged their equipment. Respondent provided a statement from the cleaning company stating that the crew did not encounter any broken glass or issues with the home.

Respondent states Complainant is not being truthful in the complaint. Complainant repeatedly calls the office yelling, cursing, and threatening Respondent with legal action.

Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**67. 2021066701**  
**Opened: 10/11/2021**  
**First Licensed: 6/26/2019**  
**Expires: 6/25/2023**  
**Type of License: Affiliate Broker**  
**History: None**

Complainants are Tennessee residents. Respondent is a licensed affiliate broker.

Complainants purchased property from Respondent. They allege Respondent agreed to pay \$4,000.00 for repairs that were found. Complainants were told at closing that Respondent would not pay for the repairs because he is paying \$5,000.00 in closing costs.

This is contract dispute matter between Complainant and Respondent. Respondent is the owner/seller of the property, and, therefore, the transaction is exempt from the Tennessee Real Estate Broker License Act pursuant to Tenn. Code Ann. § 62-13-104(a)(1)(A).

**Recommendation: Close**

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

**68. 2021066921**  
**Opened: 10/11/2021**  
**First Licensed: 10/5/2009**  
**Expires: 9/3/2022**  
**Type of License: Principal Broker**  
**History: 2018 Consent Order for Advertising Violation**

Complainant is a Tennessee resident. Respondent is a licensed principal broker.

Complainant stated she purchased property expecting that the house and yard would be empty of debris based on the contract terms. Complainant alleges that when she took possession of the property, there were items left in the house, yard, and shed that had not been cleared. Complainant states she brought in a dumpster at her own cost to throw the items away. Respondent is the seller's

agent. Complainant requests the seller or Respondent be held responsible for the money Complainant spent on the dumpster.

Respondent submitted a response stating that he was not at the property when the buyer's took possession. He did receive photos from the buyer's agent that showed some lumber, a wheelbarrow, a few hangers, books, mouse traps, and shelves in the greenhouse. Respondent states the buyer had told the seller that the lumber could remain because the buyer was going to make a landing area. Respondent states Complainant was already bringing in a large dumpster for the remodel of the home. Respondent did not have responsibility to provide a dumpster for items the seller left behind.

This is contract dispute matter between the buyers and seller. Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**69. 2021066911**

**Opened: 10/11/2021**

**First Licensed: 10/5/2009**

**Expires: 9/3/2022**

**Type of License: Principal Broker**

**History: 2018 Consent Order for Advertising Violation**

This case is related to No. 68 (Case No. 2021066921) above. Complainant is the buyer's agent. In addition to the allegations by the buyer, Complainant alleges that Respondent was "pretty much nonresponsive" when he was contacted about the items left on the property. Complainant alleges that she had asked Respondent to explain and to go over with seller what he could not remove because the seller had taken down lighting. Complainant states the seller did not return the lighting.

In addition to the response above, Respondent denied being unresponsive and provided a copy of text messages with Complainant throughout the transaction. Respondent states Complainant never asked him to have a conversation instructing the seller to put the lighting back. Respondent provided a copy of the message where complainant stated she just wanted Respondent to know about the lighting. Respondent stated he did talk to the seller about the lighting, and the seller said he was leaving bulbs for the buyers.

This is contract dispute matter between the buyers and seller. Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**70. 2021068371**  
**Opened: 10/11/2021**  
**First Licensed: 4/28/2015**  
**Expires: 12/2/2021**  
**Type of License: Principal Broker**  
**History: None**

Complainant is anonymous. Respondent is a licensed principal broker.

Complainant submitted a photo of two billboard advertisements by Respondent that state: "Get a GUARANTEED Offer On Your Home Today!" Respondent's name, firm name, a phone number, and a website are listed on the billboard. No other details regarding the claim are on the advertisement. Complainant alleges that not all pertinent details are on the offer. Complainant claims the phone number is not the firm's number. Complainant alleges a different number is the correct firm number.

Respondent submitted a response stating that the phone number on the billboard is the correct firm number. The number Complainant alleges is correct is Respondent's personal cell number.

Regarding the pertinent details about the offer, Respondent states that his website "has much more details about how we will do it. Unfortunately, the billboards aren't large enough for all the text that the website information will have (and would clutter the board)." Respondent also states with regard to the details "[u]nfortunately billboards are not equipped to state all that text on it"

Based on the information provided, counsel recommends a civil penalty be assessed in the amount of \$1,000.00 per billboard for violations of Tenn. Comp. R. & Regs. 1260-02-.12(7) ("Any offer, guaranty, warranty or the like, made to induce an individual to enter into an agency relationship or contract, must be made in writing and must disclose all pertinent details on the face of such offer or advertisement") for a total civil penalty of \$2,000.00.

**Recommendation: Authorize a civil penalty of \$1,000.00 per billboard for violations of Tenn. Comp. R. & Regs. 1260-02-.12(7) ("Any offer, guaranty, warranty or the like, made to induce an individual to enter into an agency relationship or contract, must be made in writing and must disclose all pertinent details on the face of such offer or advertisement") for a total civil penalty amount of \$2,000.00.**

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

**71. 2021065371**  
**Opened: 10/11/2021**  
**First Licensed: 12/19/2003**  
**Expires: 2/14/2023**  
**Type of License: Real Estate Firm**  
**History: None**



Complainant is a Tennessee resident. Respondent is a licensed real estate firm.

Complainant alleges he purchased a home in June of 2017 and was represented by Respondent's agent. Complainant states he is changing out cabinets and has discovered the countertop is not granite. He states he left messages for Respondent and did not receive a return call. He states the lack of return call is unprofessional.

The principal broker submitted a response on Respondent's behalf stating that they did not have any agent with the name given by Complainant working there in 2017. She states she spoke with buyer's agent who did represent Complainant, and the agent states at no time did tell Complainant the countertops were granite. The principal broker states she has no messages from Complainant and no record of Complainant calling her.

Based on the information provided, there is insufficient evidence that Respondent violated any rules or statutes of the Commission.

**Recommendation: Close**

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

72.     **2021068391**  
          **Opened: 10/18/2021**  
          **First Licensed: 11/22/2000**  
          **Expires: 3/22/2022**  
          **Type of License: Principal Broker**  
          **History: None**

Complainant is a Tennessee resident. Respondent is a licensed principal broker.

Complainant alleges his property has stormwater drainage issues because of a new home that was built in the lot above his property. Respondent is the owner of the company that constructed the home on vacant lot. Complainant's states Respondent declined to use the drainage pipes Complainant suggested. Complainant is concerned about whether or not the new owners have been made aware of a drainage problem. Respondent submitted a response alleging the complaint is meritless and stating that Respondent is the owner of the company that constructed the lot, and the complaint is outside the Commission's jurisdiction.

Based on the information provided, the matter is exempt from the Tennessee Real Estate Broker License Act pursuant to Tenn. Code Ann. § 62-13-104(a)(1)(F).

**Recommendation: Close**

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

**73. 2021068581**  
**Opened: 10/18/2021**  
**First Licensed: 6/14/1999**  
**Expires: 9/6/2022**  
**Type of License: Real Estate Broker**  
**History: None**

Complainant is a licensed affiliate broker. Respondent is a licensed principal broker.

Complainant alleges Respondent allowed an affiliate broker under his supervision to engage in brokerage activity for fifteen months without an active license. Complainant alleges the agent's license expired on April 29, 2020, and was not renewed until August of 2021. Complainant alleges the agent was involved in real estate transactions throughout the period she was unlicensed and while Respondent was managing broker. Complainant provided a copy of MLS Respondent provided copies of MLS properties that were listed by the agent and dated during the time the agent's license was inactive.

Respondent submitted a response acknowledging the facts in the complaint are correct regarding the agent's license, and that agent let her license expire and continued to engage in broker activity. Respondent states when they became aware the license was expired, they immediately self-reported, and the agent ceased all licensed activity. Respondent states the situation was merely an oversight.

Based on the information provided, counsel recommends a civil penalty be assessed in the amount of \$500.00 for failure to adequately supervise in violation of Tenn. Code Ann. § 62-13-312(b)(15) and administratively open a complaint against the agent for engaging in unlicensed activity.

**Recommendation: Authorize a \$500.00 civil penalty for violation of Tenn. Code Ann. § 62-13-312(b)(15) (failure to supervise) and administratively open a complaint against the agent for unlicensed activity.**

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

**74. 2021060981**  
**Opened: 10/18/2021**  
**First Licensed: 1/30/2018**  
**Expires: 1/29/2022**  
**Type of License: Real Estate Firm**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed real estate firm.

Complainant alleges he made an offer on certain property. Respondent's broker represented the seller. Complainant contends he submitted a full price offer on August 23, 2021, with a response

due the next morning at 10:00 a.m. Complainant states the broker texted his agent at 9:00 a.m. that they would be sending a counteroffer. When asked about the expected time on the counteroffer, the agent was told the sellers received another offer. They accepted the offer at 10:48 a.m. Complainant contends the broker's failure to follow through on a counteroffer was unethical.

Respondent states Complainant submitted a written offer for \$349,000 contingent on him being able to obtain 96.5% financing. The offer expressly stated that it would be terminated if not countered or accepted by 10:00 a.m. the next day. Respondent states the seller informed him that he was planning to submit a counteroffer, and Respondent passed this along to Complainant's agents. At around 5:40 p.m., the seller received another offer for \$359,000 with a financing contingency of a 70% conventional loan. The seller instructed Respondent not to submit a counter to Complainant and instead accept the new offer. The seller stated did not want to go into a multiple offer status. Respondent called Complainant's agent and notified him what the seller decided to do.

Based on the information provided, there is insufficient evidence that Respondent violated any rules or statutes of the Commission.

**Recommendation: Close**

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

**75. 2021069491**  
**Opened: 10/18/2021**  
**First Licensed: 3/13/2019**  
**Expires: 3/12/2023**  
**Type of License: Real Estate Firm**  
**History: None**

Complainant is an out-of-state resident. Respondent is a licensed real estate company.

Complainant was interested in leasing property. She states that while waiting on Respondent to draft a lease, she paid a deposit of \$990.00 using an online platform. She alleges she was never told the payment was nonrefundable. After researching the neighborhood, Complainant alleges there was a convicted rapist living next door which she found through a sex offender registry. Complainant decided she did not want to rent the property. Complainant called her credit card company to have the charge for the deposit disputed, which was pending. She states Respondent told her they needed to create her as vendor in order to refund the money and requested that Complainant needed to call them to provide more information. Complainant states she did not trust them and told that she would be contacting the Commission.

Respondent's broker states that the platform used to accept online payment advises the deposit is nonrefundable. However, the broker instructed that Complainant's payment be refunded to settle the dispute. Per their management platform, a third-party vendor, fees collected which are still showing as pending cannot be refunded back through the platform. Instead, a company check must

be submitted for return of deposit. The broker states they are trying to contact Complainant to obtain an address to send to mail the check. Respondent states Complainant will not return their calls or provide a mailing address.

The agent who spoke with Complainant submitted a response stating that Complainant contacted them about the alleged sex offender on October 6, 2021. The principal broker gave the go ahead to refund the deposit on October 7, 2021. The agent looked into how to reverse the charge. She was told by the platform that she could not reverse the charge. The agent contacted Complainant several times to get her correct and address and information explaining that she needed to enter her as a vendor so a check can issue. She states Complainant will not return the calls but instead sends messages saying to reverse the charge, which the agent explains they are unable to do. The agent submitted a copy of the text message exchanges with Complainant. She also submitted the Complainant's payment statement through the platform which states that payments are nonrefundable.

Based on the information provided there is insufficient evidence that Respondent has violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**76. 2021063111**  
**Opened: 10/18/2021**  
**Unlicensed**  
**History: None**

Complainant and Respondent are Tennessee residents. Complainant alleges she and her husband paid a security deposit and first month's rent to Respondent for rental property. Complainant later decided they did not want to move forward with the lease agreement when they discovered poison ivy and other issues on the property. Complainant states Respondent would not return refunded the security deposit.

Respondent did not submit a response to the complaint. According to the property assessor's information, Respondent is the owner of the rental property. Based on the information provided, there is no evidence that Respondent has engaged in unlicensed activity.

**Recommendation: Close**

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

**77. 2021064731**  
**Opened: 10/25/2021**  
**First Licensed: 4/11/2017**  
**Expires: 4/10/2023**

**Type of License: Real Estate Firm**  
**History: None**

Complainant is a Tennessee resident. Respondent is a licensed real estate firm.

Complainant alleges Respondent listed her home on its website as an active listing without permission. Complainant states she has emailed Respondent twice without reply and spoken to a representative, but the listing has not been removed.

Respondent's principal broker submitted a response stating that he investigated the information in this complaint, he investigated Complainant's allegations and could not find any information about what they allege. The listing was not on the firm's website, and there was no knowledge of Complainant contacting the firm. The broker states he reached out to Complainant to ask if they would be willing to share more details. After reviewing the information Complainant provided, the broker states he discovered the complaint was filed against the wrong firm. The broker states he has directed Complainant to the correct firm and managing broker. He also reached out to the correct firm and let the broker know about the situation. The broker provided a copy of his communications with Complainant and the correct firm's broker.

Based on the information provided, Respondent has not violated any rules or statutes of the Commission.

**Recommendation: Close and administratively open a complaint against the correct firm.**

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

**TIMESHARES:**

**78. 2021062191**  
**Opened: 9/27/2021**  
**First Licensed: 8/23/2017**  
**Expires: N/A**  
**Type of License: Time Share Registration**  
**History: None**

Complainant is an out-of-state resident. Respondent is a timeshare organization.

Complainant contends they upgraded their timeshare to a new contract with Respondent on July 19, 2020. Complainant states their payments increased after the upgrade. Complainant states they were not told about full extent of the debt they would incur. They requested that Respondent cancel the contract and were declined. Complainant states they have filed a complainant about this in two other states and with the Federal Trade Commission and were denied.

Respondent submitted a response stating that the contract documents Complainant signed and

received at the time of purchase fully disclosed the agreement between them and Respondent. An *Ownership Review*, *Buyer's Acknowledgement*, and *Quality Assurance Review*, which were also signed and received at the time of purchase to assist the purchaser in avoiding misunderstandings and to aid them in understanding the product they are purchasing. The contract documents Complainant signed disclosed their financial obligations and agreements.

This is a contract dispute matter between the parties. Additionally, after reviewing the statements and materials, including the contract documents provided by Respondent, it is unclear that any aspect of the transaction occurred in or is tied to Tennessee. Based on the information provided, there is insufficient evidence that Respondent violated the rules/statutes of the Commission.

**Recommendation: Close**

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

**79. 2021062341**  
**Opened: 10/4/2021**  
**First Licensed: 9/29/2009**  
**Expires: 9/28/2023**  
**Type of License: Real Estate Firm**  
**History: None**

Complainant is an out-of-state resident. Respondent is a timeshare organization.

Complainant purchased a timeshare on September 18, 2019. Complainant alleges her family felt pressured and forced into staying for a presentation. She states they agreed to purchase the timeshare in order to go back to the hotel room. Complainant is unhappy with the sales practice and alleges she was led to believe she would be able to refinance the mortgage and could pass down the timeshare to her children. She states the timeshare has no value She is also upset that she did not receive mailed statements until she removed her account from autopay. She is seeking cancellation of the contract.

Respondent submitted a response denying Complainant's allegations. Respondent states that sales consultants do not force prospective purchasers into purchasing timeshare interests nor prevent them from leaving the sales center without making a purchase. Respondent states Complainant was welcome to decline but chose to make the purchase. Complainant executed a pre-confirmation checklist identifying being too old for camping and a way to spend time with the kids as her primary reasons for the purchase. Respondent states Complainant made an additional purchase in August of 2020. Respondent states the timeshare ownership constitutes an interest in real property, and therefore, Complainant is free to sell, gift, or bequeath the property interest to her offspring. Respondent states that its sales consultants do not opine about a prospective purchaser's ability to secure alternate financing, which depends on numerous factors, including credit history, lender's requirements, lending climate. Complainant signed an Owner Clarification Form acknowledging "you are not relying on any promise or expectation of refinancing your loan in the future." Respondent states Complainant executed an automatic mortgage credit card authorization form authorizing the company to charge the monthly mortgage payments. She did not receive a mailed

billing statement because she elected electronic autopay. When she cancelled the electronic autopay, Respondent began receiving statements in the mail. Respondent emailed Complainant a copy of her payment history.

Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**80. 2021064881**  
**Opened: 10/11/2021**  
**First Licensed: 8/23/2017**  
**Expires: N/A**  
**Type of License: Time share Registration**  
**History: None**

Complainants are Tennessee residents. Respondent is a timeshare organization.

Complainants allege they spent six hours in a timeshare presentation and sales meetings while on their honeymoon in Florida. They state they continued to stay and listen because they did not want to be rude and just leave. They allege that they finally "gave in" and accepted an offer and then later regretted it. They allege a line of credit was opened with a high APR. When they were looking later at a list of locations available for their next vacation, they did not have access to many locations they state they were promised. They state they are financially responsible for a timeshare they cannot afford or use. Complainants want to cancel their timeshare and allege they were "essentially held hostage" until they accepted an offer.

Respondent submitted a response stating that Complainants acknowledged what they had purchased as set forth in a buyer's acknowledgement they executed at the time of purchase on July 31, 2021. Respondent states that a guest may be invited to a sales presentation which offers a gift as an incentive for attending. Attendance is not mandatory. The length can vary based on the guest's interests and inquiries. Respondent states guest may leave as desired at any time and at their own discretion. Respondent states the contract documents Complainants signed fully disclosed the agreement. Complainants received and executed an *Ownership Review*, *Buyer's Acknowledgement*, and *Quality Assurance Review* at the time of purchase.

This is a contract dispute matter between the parties. Complainants were given a ten-day rescission period after which the contract became binding. The rescission language is stated in bold directly above the Complainants' signature lines on the contract. Based on the information provided, there is insufficient evidence Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**81. 2021059941**  
**Opened: 10/18/2021**  
**First Licensed: 8/23/2017**  
**Expires: N/A**  
**Type of License: Time Share Registration**  
**History: None**

Complainant is an out-of-state resident. Respondent is a timeshare organization.

Complainant contends she purchased a time share from Respondent in 2007. She states she was approached in 2015 about purchasing more points. Complainant states she was told that keeping the deed to her current property was not a problem, but that she later discovered she traded her deed when she purchased more points. Complainant states the paperwork she signed was confusing. Complainant wishes to cancel her contract with Respondent.

Respondent submitted a response stating that Complainant executed an Equity Trade Agreement and Addendum on September 12, 2016, agreeing to trade their existing contract and utilize the equity to purchase a new contract for rights to participate in an ownership and exchange program and receive an annual allocation of 700,000 perpetual points. Respondent was given an ownership review document and signed a buyer's acknowledgement at the time of purchase to aid in understanding of the purchase. Complainant signed contract documents acknowledging their understanding and agreement with the purchase. Respondent provided a copy of the contracts. Complainant made a request in 2018 to cancel the contract and reinstate the prior contract and was allowed to do so. The reinstated contract was cancelled in due to payment default in August 2021.

This is a contractual dispute between the parties. Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

**82. 2021061701**  
**Opened: 10/25/2021**  
**First Licensed: 4/20/1999**  
**Expires: 12/31/2021**  
**Type of License: Time Share Registration**  
**History: None**

Complainant is an out-of-state registrant. Respondent is a timeshare organization.

Complainant contends Respondent made many promises that did not come true. The complaint does not specify what promises were made. He states he has only used the timeshare for seven



days out of the five years he owned it, and the stay was not pleasant. The carpets were dirty and there was an odor. When they complained, they were moved to another unit that Complainant alleges had mold. Complainant alleges they were never given a contract.

Respondent submitted a response stating that its records do not indicate concerns brought forth by Complainant regarding customer service, accommodations, mold, etc., while Complainant was on the property. Complainant provided a copy of the contract Complainant signed on April 3, 2016, as well as an acknowledgement Complainant executed and dated April 3, 2016, stating that Complainant acknowledged receiving a CD-ROM containing electronic copies of all the documents he executed that day as well as paper copies of certain documents.

Complainant does not provide any specific allegations of misrepresentation. Complainant's dissatisfaction with accommodations goes to a dispute concerning contract rights of the parties. Based on the information provided, there is insufficient evidence that Respondent violated the rules or statutes of the Commission.

**Recommendation: Close**

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

#### **CASES TO BE REPRESENTED:**

**83. 2021054581**  
**Opened: 7/27/2021**  
**First Licensed: 7/8/2019**  
**Expires: 7/7/2023**  
**Type of License: Affiliate Broker**  
**History: None**

Respondent is a licensed affiliate broker. In his application for license renewal, Respondent disclosed that he had been disciplined by the Financial Industry Regulating Authority ("FINRA") since his last license renewal. This complaint was

Respondent entered into a settlement of a disciplinary matter with FINRA on May 20, 2019, via a Letter of Acceptance, Waiver and Consent ("AWC"), which Respondent has provided. FINRA took action against Respondent by issuing the AWC suspending him from association with any FINRA member firm in all capacities for 18 months. The action was based on FINRA's finding that, between 2013 and 2015, Respondent made approximately 273 unauthorized purchases and sales in a customer's brokerage account by exceeding the scope of authority granted by the customer. According to the AWS, the customer gave Respondent verbal authorization to buy new CD issuances upon maturity of prior CD issuances. Respondent exceeded the scope of authority, however, by selling the CDs prior to their maturity and using the proceeds to purchase new CDs, nearly always at a loss. This resulted in a loss of approximately \$100,572.00 of interest and caused the customer to pay \$4,268.73 in unnecessary commissions.

FINRA found that the unauthorized purchases and sales violated FINRA Rule 2010, which requires that a registered representative “in the conduct of his business ... observe high standards of commercial honor and just and equitable principles of trade.” Pursuant to the AWS, Respondent consented to the imposition of an 18-month suspension, disgorgement of \$4,268.73 in commissions, and a \$10,000.00 fine.

In his response to the complaint, Respondent states that he neither admitted nor denied FINRA’s findings in executing the AWC. He states that his suspension concluded on December 2, 2020. Respondent also agreed via consent order to a suspension of his license with the Department of Insurance in another state which ran concurrently with the FINRA suspension and has now expired. Respondent states that his affiliate broker license has already been renewed. Respondent states he has also applied to renew his securities license in Tennessee, and the application was initially denied by the Securities Division due to the FINRA AWC. Respondent states a hearing is scheduled in which he is challenging the ruling. (Update: The hearing was recently held, and the judge took the matter under advisement. Proposed findings of fact and law are due to be submitted on October 7, 2021.)

Based upon the information provided, Respondent was first licensed by the Commission on July 8, 2019, after having entered into the FINRA AWS on May 20, 2019. It does not appear that Respondent disclosed or provided copies of the FINRA disciplinary action nor appeared before the Commission during his initial licensure application as required by Tenn. Comp. R. & Regs. 1260-01-.01(6). Respondent states he was informed by someone at his brokerage that he should answer “no” to the application question concerning disclosure of disciplinary action in his initial application because it was not related to real estate. Respondent has now provided the disclosure and documentation upon his application for renewal.

**Recommendation: Discuss**

**Commission Decision: The Commission voted to defer this matter to the November Commission meeting.**

**New Information: Counsel spoke with the attorney handling the pending case against Complainant for the Tennessee Securities & Insurance Division. The Department’s Proposed Findings of Fact and Conclusions of Law were filed on October 7, 2021. No ruling has been received yet. The attorney anticipates that a ruling could take up to 90 days after the proposed findings were filed on October 7, 2021.**

**New Recommendation: Discuss**

**New Commission Decision: The Commission voted to authorize a formal hearing and issue a Consent Order for revocation.**

**84. 2021039661**  
**Opened: 6/22/2021**  
**Unlicensed**  
**History: None**

Complainant is anonymous. Respondent is an unlicensed real estate firm.

Complainant contends that the Respondent firm was operating without a license or principal broker. Complainant provides the name of a real estate firm where the agent/owner of the Respondent firm is currently affiliated. Complainant attached online marketing and contact information for Respondent. Respondent did not respond to the complaint.

It is unclear from information available at the Tennessee Secretary of State website whether Respondent firm remains a going concern. A licensed affiliate broker is listed as Respondent's agent for service of process. The Respondent firm address is the same as the affiliate's address according to the Commission's records.

Based on the information provided and Counsel's research, Counsel recommends authorizing a \$1,000.00 penalty for unlicensed activity against the Respondent firm. Counsel recommends opening a complaint against the affiliate broker operating the Respondent firm for violations of Tenn. Code Ann. § 63-13-309(a)(1)(A) and Tenn. Comp. R. & Regs. 1260-02-.01(1).

**Recommendation: Authorize a \$1,000.00 civil penalty for unlicensed activity and open a complaint against the affiliate broker operating Respondent firm for violations of Tenn. Code Ann. § 63-13-309(a)(1)(A).**

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

**New Information: Counsel spoke with the affiliate broker who is the owner of the Respondent business. The owner has denied that the Respondent business was ever a real estate brokerage nor intended to be. She states that entity was intended to be a rehab business for the sole purpose of ownership and investments in rehab properties. The owner states that the entity never got off the ground and was not engaged in any business of any kind. She states she was unable to get funding after COVID with the housing market going through the roof. She states the entity has never had a single transaction and is in the process of being dissolved. The owner states Respondent has never engaged in, conducted, or advertised as real estate brokerage firm. Upon review of the webpage provided by the original anonymous, there is no indication that the entity was being marketed specifically as a real estate brokerage firm other than the Complainant's allegation.**

**New Recommendation: Close**

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

**85. 2021058401**  
**Opened: 8/23/2021**

**First Licensed: 5/1/2006**  
**Expires: 4/30/2022**  
**Type of License: Affiliate Broker**  
**History: None**

Complainant is an out-of-state broker. Respondent is a licensed affiliate broker.

Complainant alleges that Respondent was engaged in broker activity while unlicensed. Complainant submitted a copy of a purchase and sale agreement dated August 2, 2021, in which Respondent is designated as the listing licensee.

Respondent's principal broker submitted a response stating that the firm's E&O insurance provider did not forward the proof of their coverage. Upon realizing their status had changed, the principal broker states they immediately provided the proof of coverage and were returned to active status.

It appears that Respondent's license was suspended on January 29, 2021 and remained inactive until August 4, 2021. Therefore, Counsel recommends a civil penalty in the amount of \$1,000.00 for engaging in unlicensed activity in violation of Tenn. Code Ann. § 62-13-301.

**Recommendation: Authorize a \$1,000.00 civil penalty for unlicensed activity in violation of Tenn. Code Ann. § 62-13-301.**

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

**New Information: Upon receiving a proposed consent order, Respondent contacted counsel and provided additional information. Respondent states she did, in fact, have compliant E&O coverage prior to and during the suspension period. Respondent provided an email she had previously received from the Commission's staff confirming that Respondent had provided proof that she was enrolled in a compliant policy prior to the suspension, and that her penalty fees for the E&O violation were being refunded. The Executive Director confirmed with counsel that Respondent provided proof that she was enrolled in an E&O policy prior to the suspension period, and, for this reason, it was determined not to hold Respondent liable for the penalty/reinstatement fees.**

**Respondent has provided proof that she did not have a lapse in E&O coverage. The Commission's staff has determined the proof was sufficient to waive Respondent's liability for the violation that formed the basis of the suspension. Therefore, Counsel recommends closure.**

**New Recommendation: Close**

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

**Chairman John Griess adjourned the meeting at 12:00 P.M. CSTT**