



**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 March 9, 2022, at 8:30 a.m. CST at the Davy Crockett Tower located at 500 James Robertson Parkway Nashville, TN 37243 in Conference Room 1-A. In addition, the meeting was streamed electronically 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 Stacie Torbett, Commissioner DJ Farris, Commissioner Joan Smith, Vice-Chair Marcia Franks, Chairman John Griess, Commissioner Jon Moffett, Commissioner Geoff Diaz, and Commissioner Steve Guinn. Quorum Confirmed. Others present: Associate General Counsel Anna D. Matlock, Associate General Counsel Dennis Gregory, Paralegal Carol McGlynn, Education Director Ross White, and TREC staff member Aaron Smith.

The March 9, 2022, board meeting agenda was submitted for approval.

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

Minutes for the February 8, 2022, board meeting was submitted for approval.

Motion to approve the February 8, 2022 minutes was made by Commissioner Smith and seconded by Commissioner Begley. Motion passed unanimously.

INFORMAL CANDIDATE APPEARANCES

Dean Hurst and Principal Broker Lisa Bernard appeared before the Commission to obtain approval for Mr. Hurst's Affiliate Broker license.

Motion to approve Mr. Hurst was made by Commissioner Torbett and seconded by Commissioner Guinn. Motion passed unanimously.

Daniel Bickley and Principal Broker Tammy Coleman appeared before the Commission to obtain approval for Mr. Bickley's Affiliate Broker license.

Motion to approve Mr. Bickley was made by Commissioner Diaz and seconded by Commissioner Guinn. Motion passed 6-0 with Commissioner Torbett, and Commissioner Begley abstaining. Vice-Chair Franks was present but not for the motion to vote.

Jacob Mortford and Principal Broker Chris Phillips appeared before the Commission to obtain approval for Mr. Mortford's Affiliate Broker license.

Motion to approve Mr. Mortford was made by Vice-Chair Franks and seconded by Commissioner Torbett. Motion passed unanimously.

WAIVER REQUEST

Director Maxwell presented Mr. Larry Carter to the commission seeking a waiver request of Errors and Omission Insurance penalties.

Motion to waive \$700.00 with the remaining payment rendered by March 30, 2022, was made by Commissioner Begley, and seconded by Commissioner Farris. Motion passed unanimously.

Director Maxwell presented Mr. Frederick Elam to the commission seeking a waiver of the Errors and Omissions Insurance penalties.

Motion to deny requested waiver was made by Commissioner Diaz and seconded by Vice-Chair Franks. Motion passed unanimously.

EDUCATION REPORT

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

Motion to approve courses M1-M13 was made by Commissioner Diaz and seconded by Commissioner Torbett. Motion passed unanimously.

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

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

EXECUTIVE DIRECTOR'S REPORT

Executive Director Maxwell updated the Commission on the topics below.

- **MISC:** Director Maxwell, updated the commission on her return to full-time status. In addition to the CORE system issue. The Commission was updated on the “revoked” status for Errors and Omissions Insurance.
- **MEMPHIS:** Director Maxwell is working with Commissioner Guinn, and M.A.A.R. regarding location, dinner, etc.
- **ARELLO/AUGUST-SEPTEMBER MEETING:** The annual conference will be held in Nashville, TN starting on Monday, August 29th. The Commission made a motion offered by Commission Diaz, seconded by Commission Smith to cancel the August and September commission meeting. Motion passed unanimously. In addition, a motion to schedule the TREC Commission meeting on August 29th Motion was made by Commissioner Smith and seconded by Commissioner Begley. Motion passed unanimously.
- **PSI:** Discussion was had on the national exam brainstorming session and the issue with PSI & the ARELLO licensee database. Director Maxwell is working with PSI & ARELLO on the issue.

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 1-51 with the exception of the following complaints, which were pulled for further discussion: **2021076801, 2021080791, 2022001301, 2021080651, 2022001341, 2022001651, 2020032241, 2020014451, 2020003801, 2021075521, 2021078771, 2021076991, 2021078101.**

Motion was made by Commissioner Farris and seconded by Vice-Chair Franks. Motion passed unanimously.

After further discussion by the Commission on complaint 2021076801, Commissioner Smith made the motion **to issue a Letter of Warning for failure to exercise reasonable skill and care.** The motion was seconded by Vice-Chair Franks. Motion passed unanimously.

After further discussion by the Commission on complaint 2021080791, Commissioner Smith made the motion **to authorize a formal hearing and issue a Consent Order with a civil penalty of \$500.00 for failure to exercise reasonable skill and care** motion was seconded by Commissioner Begley.

Additionally, the Commission voted to open an administrative complaint against the Respondent's principal broker for failure to supervise based on the above violation. The motion was made by Vice-Chair Franks and seconded by Commissioner Smith. Motion passed 8-1 with Commissioner Farris voting against.

After further discussion by the Commission on complaint 2022001301, Commissioner Smith made the motion to **accept counsel's recommendation.** The motion was seconded by Commissioner Diaz. Motion passed unanimously.

After further discussion by the Commission on complaint **2021080651,** 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 2022001341, Vice-Chair Franks made the motion **to issue a Letter of Warning for failure to exercise**

reasonable skill and care. The motion was seconded by Commissioner Smith. Motion passed unanimously.

After further discussion by the Commission on complaint 2022001651, Commissioner Farris made the motion **to authorize a formal hearing and issue a Consent Order with a \$1000.00 civil penalty for failure to disclose Respondent's personal interest in a real estate transaction.** The motion was seconded by Commissioner Moffett. Motion passed unanimously.

After further discussion by the Commission on complaint 2020032241, Vice-Chair Franks made the motion **to close and flag this complaint.** The motion was seconded by Commissioner Diaz. Motion passed unanimously.

After further discussion by the Commission on complaint 2020014451, Commissioner Guinn made the motion **to amend the existing Consent Order and increase the civil penalty to \$1,000.** The motion was seconded by Commissioner Diaz. Motion passed 8-0 with Vice Chair Franks abstaining.

After further discussion by the Commission on complaint 2020003801, Vice-Chair Franks made the motion **to accept counsel's recommendation.** The motion was seconded by Commissioner Diaz. Motion passed unanimously.

After further discussion by the Commission on complaint 2021075521, Commissioner Diaz made the motion **to defer this complaint until the April Commission meeting to allow counsel to gather more information.** The motion was seconded by Vice-Chair Franks. Motion passed unanimously.

After further discussion by the Commission on complaint 2021078771, Vice-Chair Franks made the motion **to accept counsel's recommendation.** The motion was seconded by Commissioner Smith. Motion passed unanimously.

After further discussion by the Commission on complaint 2021076991, Commissioner Diaz made the motion **to dismiss this complaint and administratively open a complaint against Respondent's principal broker.** The motion was seconded by Vice-Chair Franks. Motion passed unanimously.

After further discussion by the Commission on complaint 2020003801, Vice-Chair Franks made the motion **to accept counsel's recommendation.** The motion was seconded by Commissioner Diaz. Motion passed unanimously.

**Dennis Gregory:
New Complaints:**

- 1. 2021079771
Opened: 1/5/2022
Unlicensed
History: None**

The Complainant appears to be an employee of an affiliate broker. The Respondent is an unlicensed person.

The complainant says the Respondent is unlicensed. They claim the Respondent is being paid in cash by three local “investors.” The Respondent does not provide any names or any property addresses. The complaint also contains a Facebook posting in which the Respondent was donating blankets to local law enforcement. Whoever posted the picture referred to the Respondent as a “local realtor.” It is not clear what information the individual based this reference on.

A TDCI investigator attempted to make contact with the Respondent in order to ask the Respondent questions posed by counsel. The investigator found an office supposedly operated by the Respondent; however, neither the Respondent nor any employees were present. All the investigator’s phone calls and texts went unanswered.

The complaint gives insufficient information as to how the Respondent is engaged in brokering. Possibly, the Respondent works with investors in some fashion that gives the impression she is engaging in brokering by her association. All internet searches bring up the Respondent as a “real estate investor.” Without any more information to go on, it is difficult to conclude the Respondent is engaging in unlicensed brokering. If the Complainant comes up in a new complaint, the complaint can be re-opened.

Recommendation: Close.

Commission Decision: The Commission accepted counsel’s recommendation.

- 2. 2021076781
Opened: 1/18/2022
First Licensed: 10/8/2008**

Expires: 10/7/2022

Type of License: Affiliate Broker

History: None

The Complainant is the seller. The Respondent is the seller's listing agent. The Complainant says she and two other family members inherited a house in Tennessee (the Complainant resides in South Carolina). The house received an offer soon after it was listed. According to the Complainant, the house was listed "as is." The buyer supposedly wanted the sellers to pay for electrical work before closing. When the Complainant told the Respondent to amend the offer to allow the buyers room for repairs, the Respondent (according to the Complainant) refused to do so. This issue got settled; however, the Complainant's primary problem now is that the buyer occupied the house prior to the funds being disbursed.

The Respondent says they got two offers immediately after listing and accepted the highest and best. The offer was made with a deposit on November 23, 2021. The buyers had an inspection completed and requested repairs to the home's electrical system. The buyers home inspection stated the property was a "fire waiting to happen." The Respondent claims she spoke with the three sellers and they agreed to pay \$5,000 but would not have it done by closing. The parties eventually agreed to pay the cost at closing instead. The Respondent (not the other two sellers) did not like the terms of the deal because she wanted to sell the house "as is" and not fix anything. Despite all of this back and forth, the closing eventually took place on December 30.

The Respondent says the closing went well. Apparently, the Respondent did not attend as she was in Covid-19 isolation after becoming symptomatic. The Respondent explains that the buyers' bank was not able to get the sellers' paperwork to the title company in time. The Respondent says that the FedEx delivery with the sellers' paperwork did not arrive to the buyer's bank in time. Consequently, the loan did not fund until the following Monday (six days later). The buyers took possession of the home the afternoon of closing. The buyer's agent was present for closing.

The Complainant immediately told the Respondent that the buyers did not have permission to occupy the home until the money was in their possession. The Respondent says an attorney with the title company informed the Respondent that the buyers had the right to occupy the home as they "had performed their duties, and had made payment in satisfaction with the lender..." Presumably, the Complainant is intent on filing a lawsuit against the Respondent based on her rebuttal (although it is not clear what her damages would be).

The inability of the buyer's bank to get the funds disbursed was not the Respondent's fault. It appears that the buyer's agent relied on the title attorney's opinion and permitted the keys to go to the buyer.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

3. **2021076801**
Opened: 1/18/2022
First Licensed: 2/7/2006
Expires: 2/6/2022
Type of License: Affiliate Broker
History: None

The Complainant is the listing agent. The Respondent is the buyer's broker. *Since the filing of this complaint, the Complainant has asked to withdraw it. The crux of the complaint is the Complainant's allegation that the Respondent contacted her client directly after there was a signed confirmation of agency.

The Respondent says that her buyers desperately wanted the house as they had let their lease expire on their apartment. Unfortunately, there was a problem with the seller's title and the buyers needed additional time to secure financing. The Complainant says she advised the Respondent that her seller did not want to extend the closing date again. As the seller had, apparently, initiated contact with the Respondent before outside of her agent, the Respondent took the opportunity to contact the seller via text to see if she would reconsider extending the closing again.

The Complainant contacted TDCI and explained that she mistakenly lodged a complaint with TREC as opposed to her local realtor's association. The Commission may still take action here as, arguably, the Respondent failed to exercise reasonable skill and care by contacting a represented party. In the alternative, the local realtor's association may handle exclusively.

Recommendation: Close.

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

4. **2021077411**
Opened: 1/18/2022
First Licensed: 12/17/2018
Expires: 12/16/2022
Type of License: Affiliate Broker
History: None

The Complainant is a TREC licensee. The Respondent is a listing agent.

The Complainant appears to be suggesting that the Respondent's listings fail to disclose the Respondent's personal interest in certain listings. No photos or screenshots are provided.

The Respondent provided proof that the personal disclosure statements were on the MLS.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

5. **2021079061**
Opened: 1/18/2022
First Licensed: 9/17/2010
Expires: 9/16/2022
Type of License: Principal Broker
History: 2020 Letter of Warning for failure to exercise diligent skill and care to all parties in a transaction

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

The Complainant alleges the Respondent and seller are over-pricing the subject property and are "being dishonest when they have the status of the condo as pending even though it has not been pending since 12 October 2021..." The Complainant made an offer on a condominium unit in September 2021. The seller accepted the offer shortly thereafter. The sale price was \$945,000. According to the Respondent, escrow was due within 20 business days in the amount of \$100,000. The check was received on October 15; however, the Complainant placed a stop payment order on the check four days later.

The Complainant says the reason for the stop order was due to his inability to get an appraisal on the property within the allotted time. According to him, the appraisers refused to do the appraisals “because they were concerned they could not find comparables to support the contract sales price.”

The Respondent says he informed the seller of the Complainant’s stop payment on the check. The seller’s attorney, apparently, told the seller that the Complainant was in default and had “a valid contract.” There was no mutual release executed, so the parties are still in a contract. Consequently, the sellers are still listing the property as “pending.”

The Respondent says that as late as December 6, the Complainant had made another offer to purchase the subject property (at a lower price). The seller asked for proof of funds and a driver’s license; however, the Complainant failed to provide any of the requested documents. The Respondent says his seller and their attorney have advised him to keep the property in a “pending” status as they still have a valid contract with the Complainant.

The property’s status is not misleading as there was (or still is) a valid contract pending on the property. Since both parties have now lawyered up, it appears the Complainant is attempting to get the Respondent and his seller in hot water based on the property’s listing still saying “pending.” The Respondent has thus far exercised reasonable skill and care to all parties.

Recommendation: Close.

Commission Decision: The Commission accepted counsel’s recommendation.

6. **2021080391**
Opened: 1/18/2022
First Licensed: 5/10/2006
Expires: 5/9/2022
Type of License: Affiliate Broker
History: 2010 Consent Order for Allegedly failing to account for trust fund deposits

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

The Complainant alleges the Respondent acted in bad faith as it relates to a home the Complainant placed on offer on in January 2021. The Complainants say that the city in which the property is located required that the seller follow certain “subdivision regulations” in order to sell. Specifically, the Complainant says that the seller should have obtained and submitted a subdivision plat to the city/county regional planning commission and recorded the same after approval. This would have allowed the subject property to be divided from a larger parcel.

The Respondent’s attorney explains that the Respondent and the seller “determined that the best strategy was to list the property as two listings...” This was done because the address included “approximately 2+ acres and a house on the east side of [road], plus an additional 7+ acres with a barn on the west side of [road].” The attorney says that the Respondent believed at the time that there were buyers interested in the 2+ acres on the east side of the road and different buyers interested in the 7+ acres on the west side of the road.

The Respondent’s attorney goes on to say that the Complainant made an offer on the 2+ acres. According to the attorney, the listing clearly stated under “Public Remarks” that “[“7].70 acres will be subdivided from the parcel as it currently stands, leaving about 2.17 acres. [road] is the divider, but a survey will likely be required before closing to determine the exact lot line and acreage.” The Complainant accepted the seller’s counteroffer with the stipulation regarding the “Public Remarks.”

As the inspection period neared, the buyer’s agent told the Respondent that the buyer might not be able to close as the buyer was unable to get financing. According to the buyer’s agent, the house on the 2+ acres was not habitable and needed to be demolished. As such, no typical lender would approve a loan for the property. Further, as there was a house on the property, no “land lender” would approve the loan either. Eventually, the buyer did get financing and the parties moved toward closing.

What slowed up the process thereafter was the buyer’s inability to get a survey completed in time. The Respondent asked for a request to extend closing from the buyer’s agent; however, no such request was forthcoming. The seller then went with a backup offer that was all cash with no financing contingency. The buyer filed a lawsuit against the seller in March 2021, asking for specific performance of the contract. A settlement of the lawsuit was made where the property was sold to the Complainant. *A release of all claims was signed by all parties to the matter. The purchase price was reduced \$5,000 to compensate the buyer for his attorney fees.

Despite the outcome, the Complainant still wants to point the finger at the Respondent for the seller's "obligation to convey good title."

The Complainant may have a valid point with respect to what the seller should have done; however, the Respondent as the listing agent acted reasonably in this transaction.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

7. 2021080791
Opened: 1/18/2022
First Licensed: 6/8/2018
Expires: 6/7/2022
Type of License: Affiliate Broker
History: None

The Complainant is a TREC licensee and the listing agent. The Respondent is the buyers' broker.

The Complainant lodged this complaint two days before closing on the subject house. The Complainant says the Respondent scheduled the final walk through for December 28, 2021. The Respondent supposedly asked the Complainant for a one-day code for accessing the property. The Complainant says his sellers already knew who the buyers were. The Complainant then explains that instead of the Respondent doing the final walk through with the buyers, he did not attend and gave the code to the buyers who entered the home unaccompanied. Apparently, the sellers watched the buyers enter the house from across the street.

The Respondent says he had recently tested positive for Covid-19 and did not want to run the risk of transmission to others. He admits to giving the code to his buyers; however, he did not feel it warranted re-scheduling as the buyers and sellers knew each other.

In rebuttal, the Complainant says that although the parties knew each other, the sellers' personal belongings were still in the house at the time. While closing was in two days, the sellers still had occupancy for nearly another two months. The Complainant says he was not aware of the Respondent's Covid-19 diagnosis. Had he known this, he says he would have done the walk through with the buyers.

The walk through could have been handled better, although if the Respondent was sick, not attending was the correct answer from a practical standpoint. At the same time, the Respondent should have let the Complainant know his situation and either re-scheduled the walkthrough or had the Complainant do it.

Recommendation: Letter of Warning for failure to diligently exercise reasonable skill and care to all parties to the transaction in violation of T.C.A. 62-13-403(1).

Commission Decision: The Commission voted to authorize a formal hearing and issue a Consent Order with a civil penalty of \$500.00 for failure to exercise reasonable skill and care. Additionally, the Commission voted to open an administrative complaint against the Respondent's principal broker for failure to supervise based on the above violation.

**8. 2022000241
Opened: 1/18/2022
First Licensed: 2/5/2018
Expires: 2/4/2022
Type of License: Affiliate Broker
History: None**

The Complainants are the buyers (one of the buyers appears to be a California realtor-the other is an apparent investor from Florida). The Respondent is the listing agent. *The Respondent's realty firm is the Respondent in #19 below.

The Complainants say that made an offer on a house after moving to the area on October 25, 2021. The purchase price was \$2.4 Million. The Complainants wired \$20,000 in earnest money the next day. The Complainants says they never received a receipt or confirmation for the earnest money. After three weeks, the Complainants allege they finally received a receipt for the money. He says "[t]he Brokers trust account receipt never referenced the Escrow/Property address for my EMD; rather it was categorized as Income." The Complainants say this was an attempt to "misappropriate my funds and purposely transfer money to an account not in line with the clear legal and ethical provisions..."

The Respondent says that one of the Complainants accountants told them that the EMD confirmation did not reference the property on the receipt. Therefore, they theorized that the Respondent had misappropriated their funds. The Respondent

denies this and, in all candor, does not quite understand how this allegation arose. The Complainants did not go through with the transaction after the sellers did not want to make certain repairs to the home. As such, the earnest money was returned by cashier's check. A mutual release was executed and the parties parted ways.

There is no evidence of any failure to exercise reasonable skill and care.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

9. 2022000291
Opened: 1/18/2022
First Licensed: 4/4/2013
Expires: 4/3/2023
Type of License: Real Estate Firm
History: None

The Complainants are the buyers (one of the buyers appears to be a California realtor-the other is an apparent investor from Florida). The Respondent is the listing agent's realty firm.

*The facts here are identical to those in the complaint above.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

10. 2022000521
Opened: 1/24/2022
First Licensed: 4/11/2005
Expires: 10/23/2022
Type of License: Real Estate Broker
History: None

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

The Complainant says the Respondent is refusing to return his earnest money "due to inadequate reasons." The amount of the earnest money is \$2,500. The Complainant says they came from Texas to Tennessee to view the subject property.

Their intent was to build a five-bedroom house, contingent on a soil test. During the due diligence period, the Complainant tried getting in touch with a number of different soil scientists, but they were booked for months.

The Complainants gave the seller a couple of options: Either allow them to get a new soil map and submit it to an environmentalist for review OR pull out of the deal. The sellers chose the latter option.

The Respondent says the earnest money was deposited with the title company. Both parties believe they are entitled to the money, therefore, the title company will not release it until there is an agreement or a court order. At this stage, the Respondent has done everything he was responsible for.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

11. 2022001301

Opened: 1/24/2022

First Licensed: 5/7/2013

Expires: 8/25/2023

Type of License: Principal Broker

History: None

The Complainants are the sellers. The Respondent is the listing agent.

The Complainants say they hired the Respondent to list their commercial property. They say they had used the Respondent's company before in order to purchase a commercial property. They claim the Respondent offered an 8% commission instead of 10%. Following the initial agreement between the parties, the Complainants claim the photographer did not show up on a couple of occasions. Additionally, there was some disagreement over the type of photos used for the listing, which ended in the Respondent telling them, "Trust me, I know what I am doing."

After a few weeks, there was an offer for \$650,000. The Complainants claim the Respondent told them to hold out for a higher offer and counter the asking price. The buyer declined. The following week, the Complainants claim the Respondent showed some interest in buying the property from the Complainants herself. Eventually, the Complainants wanted to terminate the Respondent as they just did not believe the Respondent was representing them effectively. The Respondent

claims she is still owed the 8% commission. The Respondent also will not release the Complainants until her fees of \$2,500 are reimbursed and a 4% commission paid up front.

The Respondent says that the commercial property needed extensive marketing as it was located in a rural area. She admits that she did lower the commission as they had worked together in the past. The offer that was made on the property was a verbal offer which she presented to the Complainants. The Complainants allegedly told the Respondent they would need at least \$699,900 for the property. When the Respondent communicated the counteroffer, the prospective buyer never called back.

The Respondent admits that she told the Complainants that she was somewhat interested in the property; however, the Respondent says that the Complainants “made me feel like my money was not good enough for them, and never mentioned it again.” The Respondent says there were two more offers on the property, both of which were countered and rejected. As to the commission, the Respondent says that the agreement permits her to obtain a commission (the agreement also supports this).

The parties clearly have different views on what the property is worth. That aside, the agreement the Complainants and Respondent entered into permit the Respondent to be compensated.

Recommendation: Close.

Commission Decision: The Commission accepted counsel’s recommendation.

12. 2022001441
Opened: 1/24/2022
First Licensed: 11/7/2019
Expires: 11/6/2023
Type of License: Affiliate Broker
History: None

The Complainant is the seller. The Respondent is the buyer’s broker.

The Complainant says that their home was listed for sale using their own agent sometime in November 2021. The Complainant and spouse were going to be in Florida until April 2022. On December 23, the Complainant says they thought something was wrong with their home alarm system. They contacted an alarm

system technician who got to the house on December 28. The technician told the Complainant that a couple of doors were unlocked. The home was shown on December 14 by the Respondent who brought her prospective buyer. Apparently, there were two doors left unlocked and the alarm system was not set. The listing agent had given the Respondent all the door and alarm codes and, presumably, the Respondent understood what was necessary. The Complainant says they will now need to return to the house to ensure the home's belongings are secure and change the door and alarm codes.

The Respondent says she printed the instructions she received from the listing agent and took them with her to the showing. She says she carefully checked the doors, and to the best of her knowledge, the house was locked and the alarm set when she left. The Respondent also included an email from the buyer that accompanied her to the showing. The buyer says that the Respondent took her time to lock up and set the alarm.

There is no evidence the Respondent was careless in entering and leaving the home. This appears to be a case of a lack of familiarity with the alarm and door code system or the alarm system was simply not working properly. Given the number of door codes, it might be wise in the future that the Complainant's listing agent be present if the Respondent is going to be out of state for six months while the house is for sale.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

13. 2021079811
Opened: 1/31/2022
First Licensed: 5/21/1992
Expires: 6/5/2023
Type of License: Principal Broker
History: None

The Complainant is anonymous. The Respondent is a licensed principal broker.

The complaint says the Respondent is practicing brokerage on an expired license. Allegedly, he has advertising signs up along with running an ad on the radio. There are no photos or audio files with the complaint.

The Respondent renewed in January 2021 and has not fallen into a lapse period. There is no evidence to support the allegations.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

14. 2021079821
Opened: 1/31/2022
First Licensed: 6/7/2019
Expires: 1/20/2024
Type of License: Real Estate Firm
History: None

*This is likely the same anonymous Complainant as in #13 above. The Respondent is a realty firm.

The complaint says the Respondent is practicing brokerage on an expired license. Allegedly, the firm has advertising signs up along with running an ad on the radio. There are no photos or audio files with the complaint.

The Respondent renewed in January 2021 and has not fallen into a lapse period. There is no evidence to support the allegations.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

15. 2021080651
Opened: 1/31/2022
First Licensed: 4/1/2010
Expires: 3/31/2022
Type of License: Affiliate Broker
History: None

The Complainants are the sellers. The Respondent is the listing agent.

The Complainants listed their home with the Respondent in January 2020. The crux of the complaint is that the Complainants, along with the Respondent, were sued in a civil lawsuit filed by the buyer who purchased their home in 2020 (the lawsuit was filed in September 2021). The buyer alleges the Complainants and the Respondent withheld material information regarding prior flood damage to the home as well information about the property's propensity for flooding.

When the sellers' Residential Condition Disclosure Statement was filled out in 2020, the sellers marked "Yes", but wrote on the form that the home was "in flood zone, we have corrected problem." The home was also involved in a 2010 flood before the sellers owned the property. The Complainants go on to say that the Respondent told them they did not have to disclose anything related to flood damage that had not resulted in any structural damage. The Complainants are also upset over the fact that the Respondent's attorney has filed a motion for attorney fees whereby the Complainants would be responsible for those fees.

The Respondent says he instructed the Complainants to disclose any and all known defects or conditions related to the house. He says that it was his impression the Complainants had, in fact, disclosed everything related to any flooding. Further, he points out that the buyer was well aware that the home was in flood zone (the disclosure form is marked "yes"). As to the issue over the attorney fees, he correctly points out that the Listing Agreement contains an indemnification provision that would allow the Respondent to collect reasonable attorney fees for any lawsuit lodged against him related to the subject real estate transaction.

As of December 2021, the Complainants were dismissed from the buyer's lawsuit after a motion to dismiss was granted by the trial court. The Respondent and his firm, however, are still engaged in the lawsuit with the buyer. The only remaining matter related to the Complainants are the Respondent's attorney fees.

The evidence does not support that the Respondent told the Complainants to hide or omit anything about the subject property. Ultimately, the property disclosure was the responsibility of the Complainants. The Respondent did not fail to exercise reasonable skill and care.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

- 16. 2022001331**
Opened: 1/31/2022
First Licensed: 5/3/1999
Expires: 5/11/2023
Type of License: Principal Broker
History: 2013 Consent Order for advertising violation; 2017 Letter of Warning

The Complainant is the buyer. The Respondent is the transaction broker. *Initially, the Respondent was only the listing agent, then later became the transaction broker. The Complainant says the seller did not repair everything on the repair addendum. Also, the Complainant says the Respondent failed to attend the closing. Nothing further was provided.

The Respondent says the repair addendum was included in the deal. The Respondent explains that she told the Complainant to call the home inspector and have him re-inspect to verify if the repairs were done. The Respondent says the Complainant declined to do that as it would create additional cost. As to her absence at the closing, she says that the closing was originally supposed to take place on August 13, 2021. She claims the Complainant then changed the closing to August 11 on a last-minute basis, preventing the Respondent from attending without moving other appointments around.

The Respondent was not responsible for guaranteeing the repairs were made. Suggesting that the home inspector return to the property was a reasonable suggestion. Had the Respondent attended the closing in person it is doubtful this would have changed anything regarding the repair addendum.

Recommendation: Close.

Commission Decision: The Commission accepted counsel's recommendation.

- 17. 2022001341**
Opened: 1/31/2022
First Licensed: 2/14/2018
Expires: 2/13/2024
Type of License: Affiliate Broker
History: None

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

The Complainant says she got in touch with the Respondent through a Zillow listing that connected her with the Respondent. She says that over the next several days the two texted, emailed, and spoke about a few properties the Complainant was interested in. On January 6, 2022, the Complainant asked to see a particular property. She claims the Respondent told her that particular listing company needed to see proof of funds "before I could see the property." The Complainant says she sent the needed bank information to her. Therefore, the Complainant had the needed documentation as she understood it.

The Complainant says she later verified this practice with the Respondent's office and claims they told her that was not common practice just for a showing. The Complainant then discontinued working with the Respondent after she felt uncomfortable. The house is also no longer available of which the Complainant blames the Respondent. The Complainant felt as if the Respondent was treating her differently based on her race or ethnicity.

The Respondent says that the listing did, in fact, say that proof of funds or a lender letter was required for making an offer but not to view the house. The text message from the Respondent to the Complainant says the following: "The listing company for the [name of listing] one is very particular/a little bit 'thinks they are better than everyone else-ish' and they are requiring that proof of funds for closing be submitted along with the preapproval letter so before we go see that one I wanted to run it by you because it is an extra additional step..." The Respondent says that the proof of funds or lender letter was only required if the buyer wanted to make an offer. She admits she was not clear in the text message.

Based on counsel's view of the text, it might have been confusing for someone not familiar with the home-buying process. The text message does not explicitly say; however, that the Complainant had to produce anything in order to view the property-only if there was an offer. Admittedly, the Respondent's wording could have been somewhat confusing to a lay person. At the very least, the message needed more context or just additional punctuation.

Recommendation: Close.

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

18. 2022001651
Opened: 1/31/2022
First Licensed: 11/22/2017
Expires: 3/24/2023
Type of License: Real Estate Broker
History: None

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

The Complainant initially contacted the Respondent for advice on selling her house. *As some background on the parties, the Respondent's brother was previously married to the Complainant's sister. Apparently, the Respondent works for a company that will make all cash offers to homeowners. According to the Complainant, the Respondent told her that she knew a few investors that would pay cash for the house, reducing the need for multiple showings. The Complainant says that during their texts and emails the Respondent referred to "investors" or "investor" but did not tell her who, specifically, these parties were. As it later turned out, the investor was a house flipper the Respondent was familiar with. At the same time, the Respondent was assisting the Complainant in finding a new home in the same area. All these events occurred in March-April 2021.

In early May, the Complainant found a new home and successfully made an offer. At the same time, the investor lost interest in the Complainant's home and did not make an offer to purchase. Consequently, the Respondent then wrote up an offer in order for the Respondent and her spouse to purchase the Complainant's home. The offer was \$215,000 with \$0 commission on both sides. Before the offer was made, the Complainant then decided to partner with another person in order to renovate and sell their home exclusive of the Respondent. After that idea fell through (due to the danger it created with the loan for their new home) the Complainant finally decided to list the home with the Respondent at \$249,000.

The Complainant and spouse entered into a listing agreement with the Respondent on May 8, 2021. On May 17, an unrepresented buyer made an offer to purchase at \$230,000. The Respondent communicated this offer to the Complainant along with three other offers. On May 19, the Complainant called the buyer directly and negotiated the removal of all commissions in order, as the Respondent puts it, "to Net more money." Further complicating the facts, is an offer that was made by the Respondent's husband (an LLC the husband owned). The Respondent did not address this in her response. It appears the Respondent did not inform the Complainant that her husband's company had made an offer on the property.

After this, the relationship between the parties devolved rather quickly. The Complainant called the Respondent's principal broker who had to take over as the broker and close the deal since the Complainant did not want the Respondent involved anymore. The principal broker reduced the listing commission to 1% and reduced the commission on the buyer's side to \$0. The buyers best and highest offer was \$230,000.

The Complainant's primary complaint in this transaction is that she alleges the Respondent was working to buy her house from the beginning and did not disclose her personal interest. It appears that the Complainant was aware of the Respondent's possible interest in the property as she told her, verbally, a number of times that she and her spouse might be interested in buying the house for an investment. As explained above, the Respondent went so far as to write up an offer, but the Complainant had come up with another plan to save more money and try to sell it herself.

As counsel views this, the only issue for concern is the offer made by the Respondent's husband *after* the Respondent was acting as the listing agent on the property and without notifying the Complainant. The Respondent, arguably, had a personal interest in the husband's business.

Recommendation: Letter of Warning for failure to disclose the Respondent's personal interest in a real estate transaction in violation of T.C.A. 62-13-403(7)(A).

Commission Decision: The Commission voted to authorize a formal hearing and issue a Consent Order with a \$1000.00 civil penalty for failure to disclose Respondent's personal interest in a real estate transaction.

19. 2022001681
Opened: 1/31/2022
First Licensed: 8/15/2006
Expires: 9/17/2022
Type of License: Real Estate Broker
History: None

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

The Complainant says that a contract between the parties was binding on December 9, 2021. The Complainant alleges that her listing agent informed her that the earnest money was not paid within the seven days. Further, she alleges that the “buyer asserted a false issue, without any proof, that the property was in a flood zone and that a subdivision concept plan was never issued...” The closing was scheduled for January 13, 2022. Apparently, the earnest money was never paid. The Complainant takes the position that it was due on or before December 16.

The Complainant continues on by explaining that the buyer wanted out of the deal due to their belief that there were too many repairs needed; however, the Complainant says there was no specific repair list provided. Ultimately, the buyer did terminate the contract. The issue now appears to be that the Complainant feels she is entitled to the earnest money and that the Respondent, along with his buyer, acted in bad faith.

The Respondent says that his buyer looked at the lot with a landscape contractor and a surveyor and decided the lot needed too much work (backfilling and demolishing the one existing home) to justify going through with the purchase. The buyer, apparently, wanted to acquire the property for commercial purposes. The buyer had the right to inspect the property and the deal was contingent on the appraised value equaling or exceeding the purchase price. As to the earnest money, the Respondent says his buyer decided to pull out of the deal “before” the earnest money was due. This position is largely based on discussions with the listing agent who said it was not due until December 16. The Respondent says he notified the listing agent of his buyer’s decision to terminate on December 14-two days before the earnest money was due.

The Respondent mentions that the seller heard about the buyer’s decision to pull out of the deal through the title company and not from her listing agent. This may shed some additional light on why the Complainant is upset. Ultimately, the seller may have a breach of contract argument (to include the earnest money); however, that will have to be taken up between the parties in a different forum. The Respondent does say that he informed the listing agent “right away” of his buyer’s decision to terminate the contract. If that is the case, then the listing agent may have neglected to inform the Complainant in a timely fashion. The Respondent appears to have acted with reasonable skill and care.

Recommendation: Close.

Commission Decision: The Commission accepted counsel’s recommendation.

20. 2022001701
Opened: 1/31/2022
First Licensed: 2/1/2017
Expires: 1/31/2023
Type of License: Affiliate Broker
History: None

The Complainants are the buyers (later sellers). The Respondent is the buyers' broker who later listed the same property for the Complainants.

The Complainants are investors of sorts. They allege the Respondent made misrepresentations regarding the "sale of the house across the street from the house we purchased..." They go on to say the "false information" or "false comp" played a critical factor in their decision to purchase the subject house.

The Complainants say they purchased the subject home in April 2021. The purchase agreement provided suggests the price was \$454,900. The Complainants then went and got the house renovated with a view toward listing the property later in the year. The Complainants claim the Respondent told them that the house across the street sold for \$740,000 when it had not sold at all. They say they did not find out this information until September 2021. Following this, they fired the Respondent as the listing agent and went with another broker in the Respondent's firm. They then requested comps in the area and were given comps in the \$550,000 range. An appraiser was also hired who appraised the house at \$540,000. The new agent allegedly showed the house 21 times in 72 days without a single offer. In January 2022, the property finally sold at \$577,500, what the Complainants claims is nearly a \$50,000 loss.

The Respondent says that during the purchase process, she advised the Complainants that she would need to run comps through "RPR" first. She explains that the one Complainant wanted her to look on-line using her phone while at the property to see what the comps were. She gave him the screenshot but emphasized that it might not be correct. The comp was sitting on a larger piece of land than the one they wanted to buy and, therefore, it would likely come in at a higher price. She later told the Complainant that the comp did not appear in "RPR," and possibly, then, had been sold off market as it was not in the MLS anywhere. She advised there were no direct comps to the subject property at that time. The Complainants wanted to proceed regardless.

As to the value upon re-sale in September, she says that had the Complainants done the renovation with “correct installation by professionals and they followed my advisement 100%, we would shoot for \$700,000 RANGE meaning \$690,000-\$710,000.” According to the Respondent, she says they rushed the renovation. By September, she was able to look inside the house and claims to have found a number of problems with the contractor/contractors’ work. The primary problem being the floors (waving).

The Respondent claims she received an offer of \$750,000 before she was terminated, but it was later rescinded after the buyer saw the floors. As such, she claims the house sold for what it was worth given the renovations. At the end of all this, the Respondent has still not been paid her commission, so she has either filed a lien or is thinking about it.

The Complainants’ basis for this complaint is somewhat speculative. While the Respondent gave her estimate as to what the house would bring on resale, it appears that opinion came with several caveats. Overall, the Respondent exercised reasonable skill and care on the purchase and the listing.

Recommendation: Close.

Commission Decision: The Commission accepted counsel’s recommendation.

TIMESHARES:

- 21. 2021080991**
 - Opened: 1/24/2022**
 - First Licensed: 8/23/2017**
 - Expires: N/A**
 - Type of License: Time Share Registration – Time Share Exempt**
 - History: None**

The Complainant is a time share owner. The Respondent is a time share company.

The Complainant says that he attempted to cancel his contract within 10 days of receiving a hard copy of his contract. He claims he got the contract in the mail on October 8, 2021 and executed the cancellation on October 15. He says the Respondent would not honor the cancellation because the 10 days had already

expired. The Complainant also says he was never explained how what the value of “points” are. Specifically, how many points are necessary for the purchase of two nights or 25 nights at the Respondent’s locations.

The Respondent says when the Complainant and his spouse met with the “specialist” on site, they agreed to receive all their documents electronically. The Respondent takes the position that this started the 10-day period of cancellation upon receipt of the email in their inbox. The Respondent says they manually entered their email address on site. All documents the Complainant and spouse signed were provided by the Respondent as part of their response.

Regarding the period of cancellation, it is unknown if any consumer understands that receipt of documents by email will begin the 10-day period of rescission. Ultimately, the consumer is still getting 10 days; however, it starts prior to when the consumer might arrive back home where they receive traditional mail.

Recommendation: Close.

Commission Decision: The Commission accepted counsel’s recommendation.

CASES TO BE REPRESENTED:

22. 2020029981

Opened: 6/1/2020

First Licensed: 3/12/1999

Expires: 3/1/2013

Type of License: Principal Broker

History: 2012 Revocation for failure to remit monies belonging to others

The Complainant is a Tennessee resident and the Respondent is a Tennessee licensed Principal Broker. The Complainant alleges the Respondent held a Principal Broker’s license which was revoked on November 7, 2012. The Complainant owns a four plex rental property in Tennessee and the Respondent agreed to handle the rental and property management of the four plex for the Complainant and would function as the rental manager. The Respondent was responsible for handling the rental of the units, tenant issues, collection of rents and forward the net rent payments after deducting fees and charges. The Complainant entered into a written agreement with the Respondent. In the Fall of 2019, the Respondent gave notice to the Complainant

indicating the Respondent could no longer manage the property effective December 31, 2019. From October 2019 to the end of the year, the Respondent stopped sending the Respondent any net rental proceeds and continued to collect rent from the tenants. In January 2020, the Complainant could not get in touch with the Respondent and her telephone numbers were disconnected. The Complainant has a new property manager and has not been able to contact the Respondent and has not received any monies.

Recommendation: Authorize a formal hearing and assess a civil penalty in the amount of \$2,000 for the following violations: Tenn. Code Ann. § 62-13-312(5) for failing within a reasonable time account for or to remit any moneys coming into the licensee's possession, for the unlicensed practice of real estate pursuant to Tenn. Code Ann. § 62-13-301

Commission Decision: The Commission elected to defer this matter for sixty (60) days and to send it for investigation and present it at the December meeting.

New Information: This matter was sent for investigation and the Respondent has been indicated, arrested and charged with theft forgery and theft embezzlement and was released on \$20,000 bail bond. There is no information available on possible trial dates.

Recommendation: Authorize a formal hearing and assess a civil penalty in the amount of \$2,000 for the following violations: Tenn. Code Ann. § 62-13-312(5) for failing within a reasonable time account for or to remit any moneys coming into the licensee's possession, for the unlicensed practice of real estate pursuant to Tenn. Code Ann. § 62-13-301

New Commission Decision: The Commission elected to authorize a formal hearing and assess a civil penalty in the amount of \$1000.00 for unlicensed activity.

New Information: A TDCI investigator was unable to find the Respondent in the city/county where she was previously located. This will make adequate service of process for a formal hearing difficult. The Respondent's license is still in a revoked status from 2013. Counsel recommends closing the complaint and noting the complaint information in CORE in the event a new application is ever received.

New Recommendation: Close

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

23. 2020032241

Opened: 6/15/2020

First Licensed: 3/29/2004

Expires: 7/20/2019

Type of License: Affiliate Broker

History: 2017 Consent Order for failure to remit

The Complainant is a California resident and Tennessee property owner. The Respondent holds an expired Tennessee Affiliate Broker license.

The Complainant entered into an agreement with the Respondent to manage a property purchased in September 2019. The Respondent had been assisting the listing agent that sold the Complainant the property and the Respondent was the property manager for the previous owner. The Complainant believed the Respondent was trustworthy and familiar with the job and could continue to provide property management services. The Respondent requested the Complainant wire the Respondent the amount of \$12,525 including \$2,600 for property reserves to install a new driveway, interior painting and other small items in need of repair on the property. The Complainant verified with the broker the driveway and exterior repairs were completed, but never received any pictures concerning interior work to the property. The Respondent had not completed the interior painting. The Complainant contacted the Respondent on several occasions and asked for the monthly statements and property accountability statements (expenses and income). The Complainant also texted and called the Respondent. The Respondent did not respond. The Respondent claimed to have rented one of the units in October and the other unit in November and collected the deposited for both units. The Complainant contacted the Respondent's business partner and asked for help in locating the Respondent. The business partner stated the Respondent was on vacation on a cruise and stated the Respondent would probably contact the Complainant after the Christmas holidays. At the end of December, the Complainant received an e-mail from the Respondent stating the Respondent wanted to terminate the agreement with 60 days' notice. The Complainant entered into a new agreement with another management company on January 2, 2020 and the new manager verified one unit was occupied, but the other was vacant and had never been occupied. Also, it

appeared the hot water had been turned off for the one tenant and there was a past due balance due of \$1,027 due to the water company. The Complainant was under the impression the Respondent had been paying the utility bills for the property during this period. On January 16, 2020, the Complainant sent another letter to the Respondent to contact the Complainant and immediately return all monies and documents related to the property prior to the Complainant taking legal action against the Respondent. The Respondent responded on February 14, 2020 and stated the Respondent was waiting for the final utility bills from the water company before all the property reports could be completed and sent to the Complainant. The Complainant learned the Respondent had also failed to have any gardening services performed during this period. The Complainant has determined the Respondent owes the Complainant the total sum of \$11,408.29 if both units had been rented as the Respondent had indicated to the Complainant or \$8,158.29 if the unit downstairs had never been rented. The Respondent failed to provide a response to the complaint.

The Respondent's principal broker provided a response and stated the Respondent had no authority to engage in property management and signed an agreement with the Principal Broker stating the Respondent would not engage in property management. Further, the Respondent's Principal Broker released the Respondent in March 2020 after the Respondent failed to renew the Respondent's license.

Recommendation: Authorize formal charges and assessment of a civil penalty in the amount of \$3,000 for making a substantial and willful misrepresentation Tenn. Code Ann. § 62-13-312(b)(1), engaging in conduct that constitutes improper, fraudulent or dishonest dealing (Tenn. Code Ann. § 62-13-312(b)(20)) and failing to provide a response to the Commission on a pending complaint (Tenn. Code Ann. § 62-13-313(2)).

Decision: The Commission elected to issue a \$2,000.00 civil penalty for unlicensed activity.

New Information: The Respondent cannot be located (or does not want to be). Either way, adequate service of process will be difficult for a formal hearing. The license is still in an expired state. Given the length of the expired status, the Respondent will have to re-test and re-apply. Recommend closing with the complaint information noted in CORE in the event there is ever a new application.

New Recommendation: Close

New Commission Decision: The Commission voted to close and flag this complaint.

24. 2020045231

Opened: 7/6/2020

First Licensed: 12/9/2019

Expires: 12/8/2021

Type of License: Affiliate Broker

History: 2020 Letter of Warning

The Complainant is a Tennessee resident and the Respondent is a licensed Tennessee Affiliate Broker.

The Complainant alleges the Respondent advertises properties through Facebook™ and advertises homes or purchase. Some of the properties appear to be sold and there are also other videos of the Respondent soliciting the purchase of homes. The Respondent also advertises “Cash Sale,” “Quick Close,” “Max Value,” and “No Repairs.” The Respondent also advertises and offers “Cash for your property.” There are numerous advertising violations by the Respondent in the Facebook™ advertisements. There is also a purchase and sale agreement that states the Respondent purchased a property for \$40,000 and there is a statement that the Respondent expects to make a profit from the sale. There is an Addendum to the Purchase and Sale Agreement with another party disclosing the Respondent is going to assign the Purchase and Sale to a third-party. This agreement states the Respondent is the Buyer and the also self-representing as the real estate licensee. The Respondent never sent over the Purchase and Sale Agreement with the signature of the Buyer. The Respondent did cooperate with all showings and a termite inspection and verbally agreed to the contract and even set a closing date for the Buyer. The closing agent was not aware of the Seller of the property until the Respondent mentioned the owner still owned the property and had an assignable contract. There were a several concerns by the closing statement. The commission was listed as the referral fee was to be paid to a real estate firm. The compensation to the Respondent was listed under the Assignment Fee. The Complainant alleges there are violations the Tennessee Real Estate Commission’s rules of conduct 1260-02-.07 concerning “Net Price” Listing and 1260-02-.11 concerning Personal Interest.

The Respondent provided a response and stated assignable contracts are not being posted on websites or social media. The Respondent has clearly indicated the designation of real estate agent and/or broker affiliation. The Respondent follows

all advertising requirements and the brokerage information is always one-click away from the posts and includes all the firm's information, phone number, website, address, etc. The Respondent does not market net listings and does run all the transactions through the brokerage. Assignable contracts are not net listings and every transaction is processed through the Respondent's firm. The Respondent does not post any signs indicating the Respondent buys homes or other language on signs. The Respondent does not have signs stating, "I buy houses," however, there are other investors with similar signs and the Respondent does not know which signs the Complainant is referring to in the complaint. The only signs used by the Respondent are the official brokerage for sale signs. The Respondent does not have any personal connection with the Complainant and has only spoken with the Complainant on one occasion.

Recommendation: Close.

Commission Decision: The Commission elected to issue a \$1,000.00 civil penalty for failure to disclose personal interest in the transaction and \$1,000.00 for an advertising violation, for a total civil penalty assessment of \$2,000.00 in civil penalties and also a four (4) hour Continuing Education Class in Contracts to be completed within 180 days of the execution of the Consent Order and in addition to the requisite CE classes.

New Information: The Respondent's license has now fallen into an expired status (complaint was lodged in June 2020). No renewal has thus far been received. Additionally, the documents the Complainant provided with the complaint do not support all the violations as alleged. The Respondent's brokerage information appears to have been one click away from his internet posts, including the firm phone number, website, etc. Also, there is no evidence to suggest the Respondent was "posting signs all over town" as the Complainant describes. As of 2022, most of the Respondent's on-line postings of any sort are now down.

Recommend closing the complaint; however, noting in CORE the complaint details in the event a renewal is received and re-open the complaint.

New Recommendation: Close

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

25. 2020057701
Opened: 9/8/2020
Unlicensed
History: None

Complainant is a Tennessee resident and the Respondent is an unlicensed Tennessee real estate agent.

The Complainant alleges the Respondent is not licensed and is marketing homes for others on social media and different Facebook groups.

The Respondent did not provide a response to the Tennessee Real Estate Commission.

Recommendation: Authorize a formal hearing for being an unlicensed real estate agent and authorize informal settlement by Consent Order in the amount of \$1,000 for unlicensed activity.

Commission Decision: The Commission accepted counsel's recommendation.

New Information: The complaint is anonymous with one photo that the Respondent "shared" on a neighborhood Facebook site from another website. It does not indicate he was actively listing the house for another broker. The post shows a price with the photo and the number of bedrooms. A CLEAR Report was run on the individual with several addresses coming back. The green card mailed with the Consent Order is signed by someone other than the Respondent. The complaint may be re-opened in the event a new complaint is received.

New Recommendation: Close.

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

26. 2020014451
Opened: 3/17/2020
First Licensed: 12/29/2017
Expires: 12/28/2021
Type of License: Affiliate Broker

History: None

Complainant is an anonymous individual. Respondent is a real estate licensee.

Complainant alleges that Respondent is in violation of the advertising rules by failing to include the firm telephone number on their yard sign, newspaper ads, as well as their billboards. Complainant states that Respondent included their personal cellphone number instead. Complainant further alleges that Respondent advertises as if they have their own firm, but they do not have a valid firm license. Respondent also states that the Respondent's email address is larger than the firm's email address. Complainant further alleges that Respondent lists properties that are they are not the listing agent for and were not sold by Respondent. Complainant attached copies of the alleged non-compliant advertisements.

Respondent filed a response stating that they intend to comply with all of the statutes and rules. Respondent states that their name and telephone number appears on their yard signs and both are smaller than their broker's name, and the firm name and telephone number are both listed on the advertisements. Respondent states that all of their advertisements include the firm name and logo, along with the firm telephone number. With respect to the allegation that the Respondent posts listings that they do not have a listing agreement for, the Respondent states that they send out informational postcards that share some active and sold properties. The postcards indicate that the Respondent is only providing a market update and does not proprot to indicate that the listings belong to the Respondent. The postcards are simply sent out to let the county residents know what is going on in the real estate market. Respondent attached photos of the advertisements.

Recommendation: \$500 civil penalty. Counsel reviewed the attached documents. The postcard, yard sign, and Facebook page all appear to be in compliance; however, the billboard is not. The Respondent's name appears to be in larger letters than the firm's name. The billboard also does not include the firm's phone number as listed on file with the commission.

Decision: The Commission accepted counsel's recommendation, but also voted to assess and additional \$500.00 civil penalty for the billboard advertising violation.

New Information: The Respondent sent a clearer picture of the original billboard because the original photo was very blurry. The phone number was not clearly visible and the new photo shows the phone number. The Respondent also stated the firm name had an ampersand and therefore, it is larger than the Respondent's name. The firm name would appear to be larger because of the ampersand.

New Recommendation: Dismiss

New Decision: The Commission elected to continue with their original decision.

New Information: The Respondent's firm explains that the ampersand symbol is part of their name as identified with the Commission (it appears that it is). As such, they and the Respondent take the position that the ampersand brings the billboard in compliance. The ampersand is larger than the Respondent's name as it is displayed on the billboard.

As best counsel can discern, the issue is the word "letters" (plural) in Tenn. Comp. R. & Regs. 1260-02-.12(3)(b). The word "letters" can be construed to mean that the *entire* firm name must be larger than the broker, team, group, etc. Here, the Respondent's name was larger than the rest of the firm name as displayed on the billboard-except for the ampersand. The Respondent takes the position that the rule does not specify that the ampersand cannot be used in this way. They argue the symbol represents the word "and" and, therefore, brings the sign in compliance with the rule.

New Recommendation: Discussion.

New Commission Decision: The Commission voted to amend the existing Consent Order and increase the civil penalty to \$1,000.

27. 2020003801

Opened: 3/9/2020

First Licensed: 3/10/1995

Expires: 12/7/2022

Type of License: Principal Broker

History: 2012 Letter of Warning

Complainant is a police investigator. Respondent is a licensed principal broker. Complainant presented an affidavit completed by a paralegal that represents the executor of an estate. The affidavit alleges Respondent attempted to sell a camper to the decedent, as well as matters related to the pending sale of a property where Respondent served as an agent. A complaint was opened in Probate Court and the Court ordered for the home to be sold according to the pending contract. Later, the executor contacted Complainant alleging Respondent arrived at closing requesting an additional two thousand seven hundred fifty dollars (\$2,750.00) be deducted for consulting work. Respondent later withdrew that claim. On or about October 28,

2019, Complainant observed two (2) claims from Respondent to be deducted from the estate, both of which exceptions were filed by Complainant in Probate Court. The Court found Respondent did not have any documents to support these claims and Respondent may have “extrapolated the signature from the Purchase and Sale Agreement” to one of the documents of the two (2) claims in question.

Respondent states they were friends with the decedent for over twenty (20) years and this is where the inquiry for acquiring the camper came from. Respondent was the listing agent for the decedent and their agent through most of the friendship for buying and selling. Respondent denies any claims of pressuring the decedent to the sell the home. Respondent then further details the issues regarding the sale price of the home, which the Probate Court has already settled. Respondent also denies forging the signature related to the one of the claims against the estate stating “we all sign our names different and then the same. Signatures can depend on the mood someone is in.”

Counsel conducted an investigation and found that Respondent has been indicted on criminal charges of theft of money, forgery, and perjury related to the claims made against the decedent’s estate. The charges pending against Respondent have yet to be resolved and are not directly related to the Respondent’s activity in the transaction regarding the purchase and sale of the home. However, these criminal offenses are enumerated in Tenn. Code Ann. § 62-13-312(b)(12) and according to Tenn. Code Ann. § 62-13-312(f) Respondent is required to notify the Commission if they plead guilty or convicted of any of these enumerated offenses. Therefore, since Respondent has yet to plead guilty or be convicted, Counsel recommends this matter be closed and flagged so the Commission is notified if, any when, Respondent should renew their license licensing staff is aware to inquire about the status of the pending criminal charges.

Recommendation: Litigation monitoring.

Decision: The Commission accepted counsel’s recommendation.

New Information: The criminal case is still pending and there has been no update since July 2020.

New Recommendation: Authorize formal contested case proceeding with assessment of a civil penalty in the amount of \$3,000 for failure to exercise reasonable skill and care, making a substantial and willful misrepresentation, any conduct that constitutes improper, fraudulent or

dishonest dealing pursuant to Tenn. Code Ann. § § 62-13-403(1) and 312(1), (20).

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

New Information: In November 2020, the Respondent pleaded "no contest" (guilty plea equivalent) to Theft of property under \$10,000 and Perjury. The Respondent did not notify the Commission within 60 days of those convictions. The Respondent's license is now automatically revoked pursuant to T.C.A. 62-13-312(f). Counsel has notified the Respondent.

New Recommendation: Close.

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

**Anna Matlock:
New Complaints:**

**28. 2021075911
Opened: 12/6/2021
First Licensed: 3/26/2009
Expires: 3/25/2023
Type of License: Affiliate Broker
History: None**

Complainant is a licensee. Respondent is also a licensee and Complainant's agent for a purchase of property located in Tennessee. Complainant signed a purchase and sale agreement on October 8, 2021 and deposited earnest money with a closing date of October 28, 2021. In the purchase and sale agreement, Complainant included a special stipulation providing this sale was contingent on an inspection and builder's warranty within five (5) days. Respondent did not provide Complainant the builder's warranty. On October 25, 2021, three (3) days before closing, Complainant further alleges Respondent went to the property three (3) days prior to closing to ensure the contingency matters were satisfied. As the matters were incomplete, the closing date would need an extension of five (5) days and a new closing date of November 2, 2021.

On November 1, 2021, the day before closing, Respondent called Complainant to inform them the requirements that were to be fixed or replaced remained incomplete. Complainant called Respondent upset stating they were going to cancel the purchase and asked for a refund of their earnest money. The hour before closing on November 2, 2021, Complainant received an email informing them the earnest money would not be returned. After this, Complainant alleges Respondent refused to answer Complainant's calls, texts, or emails.

Respondent answered the complaint stating they represented Complainant in their purchase of a new construction home. Respondent states they presented a purchase and sale agreement on behalf of Complainant in June of 2021 that was accepted and presented to Complainant. Ultimately, Complainant withdrew from the contract without penalties or loss of earnest money. On October 8, 2021, Complainant entered a purchase and sale agreement that bound the same day including an inspection deadline of ten (10) business days, a three (3) business day resolution, and closing date of October 28, 2021. The inspection was completed, and Respondent received the buyer's warranty on October 12, 2021. When Respondent realized the outstanding matters would not be complete prior to the closing, the closing date was extended. Respondent returned to the property on November 1, 2021, and the repairs remained incomplete and provided Complainant a list of outstanding issues. Respondent states after further delays Complainant wanted to withdraw from the purchase and sale agreement and requested such in writing. On November 2, 2021, the seller's agent informed Respondent the earnest money would not be returned as they had shown good faith and provided proof of such. On November 3, 2021, Respondent woke to several emails from Complainant, including a threatening email ceasing communication between Complainant and Respondent.

Based on the information provided by Complainant and Respondent and the information above, Counsel finds no violation of the statutes or rules. Furthermore, Counsel believes based on the information provided, that this is a contractual dispute and outside of the Commission's jurisdiction. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

29. 2021076531
Opened: 12/6/2021

First Licensed: 5/11/2015
Expires: 10/7/2022 (Retired)
Type of License: Principal Broker
History: None

Complainant is a Tennessee resident. Respondent is a licensee. Complainant states Respondent acted as a property manager for nine (9) of their homes in Tennessee. Complainant provided Respondent notice when issues arose including lease renewals, delays, and later discover of unaddressed maintenance issues. On June 1, 2021, Complainant provided Respondent a thirty (30) day notice severing the property management agreement. Complainant states Respondent failed to provide the documents Respondent promised to provide for a transition of management services. Respondent's new property manager received deposits in the mail, but several applications were without contact information. Complainant alleges Respondent later provided several checks minus Respondent's management fee percentage despite Respondent's termination date of June 30, 2021. Since Respondent ceased communications and did not provide leases, applications, ledgers, or keys Complainant's new property manager rekeyed all the properties.

Respondent answered the complaint disputing the property management agreement origination date. Respondent also states only one (1) property was leased and all properties were under current lease even if a new lease is not signed yearly as Complainant's contracts included a renewal clause. Respondent addressed payment minus the management fee percentage stating they are unaware of any management company that would collect rent and not charge a fee during a transition. Respondent provides an email as evidence that contact information, including leases, were attached, and keys were provided. Respondent also counters stating Complainant's emails were returned and Respondent did not know of the outstanding maintenance issue.

Complainant provided a rebuttal with additional email communications sent to Respondent. Tenn. Comp. R. & Regs. 1260-02-.02(8) provides the Commission will not intervene with settlements of debts, loans, draws, or commission disputes. Therefore, the matter regarding Respondent subtracting their management percentage fee falls outside of the Commission's jurisdiction. Further, after reviewing the documents from both Complainant and Respondent, Counsel finds an obvious dispute between the allegations between both parties. It is clear communication between the parties created most allegations in the complaint. As Respondent has since retired their license, Counsel recommends Respondent be sent

a Letter of Warning reminding them of the requirements of Tenn. Code Ann. § 62-13-403, including responding to all communication.

Recommendation: Letter of Warning.

Commission Decision: The Commission accepted counsel's recommendation.

30. 2021075351

Opened: 12/6/2021

First Licensed: 4/29/2020

Expires: 4/28/2022

Type of License: Real Estate Firm

History: None

This matter was referred by the Division of Consumer Affairs. Complainant is a Tennessee resident. Respondent is a licensed firm. In December of 2021, Respondent submitted a response stating this matter was resolved via settlement agreement. Specifically, one (1) of the terms of the agreement included Complainant agreeing to withdraw the complaint with the Commission. Once complaints are filed with the Commission, whether Complainant or Respondent withdraws the complaint does not preclude review by the Commission. Additionally, independent settlement agreements do not bar the Commission from reviewing matters within its jurisdiction. Therefore, Counsel has reviewed and summarized the submitted complaint.

Complainant alleges their apartment had mold and Complainant submitted multiple requests for maintenance to inspect the apartment. Upon inspection, Complainant was informed to move out of their current apartment and into another available apartment. Complainant states Respondent informed them to report the mold incident to their rental insurance agency. Complainant alleges they were told by the insurance company this situation was ineligible for funds as mold is considered property damage. Following this, Complainant alleges Respondent provided an invoice of more than sixteen thousand dollars (\$16,000.00). Complainant further states Respondent informed them of a rent increase in July of 2021 despite their lease not expiring until October 2021. Later on, June 2, 2021, Complainant states Respondent informed them their contract would not be renewed and Complainant had thirty (30) days to vacate the apartment. In late July of 2021, Complainant stated they appeared in court resulting in payment of twenty thousand dollars (\$20,000.00) and required Complainant to leave the apartment in ten (10) days.

Respondent answered the complaint through their principal broker. Respondent answers the complaint by providing a timeline that begins in October of 2017 upon Complainants' relocation to the area. Respondent confirmed upon inspection of Complainant's apartment in July of 2020, mold was discovered, and Respondent moved Complainant out of their apartment unit. Respondent provides a detailed timeline of repairs, reasons for why repairs were required in both of Complainant's apartment rental units. The issues range from leaks, metal found in garbage disposals, broken glass found in dishwashers, and several other matters. Respondent states after the eviction stay lifted Respondent filed a detainer warrant for possession and damages. Ultimately, the ruling resulted in Respondent's favor and both parties were ordered to attend mediation for settlements.

Upon review of the complaint, Counsel finds documents from both Complainant and Respondent of the issues summarized above. To that end, Counsel finds no evidence to support Respondent is in violation of the rules and statutes of the Commission. It appears that this matter is mostly a landlord-tenant dispute and adjudicated in civil court with or near a final settlement. Therefore, Counsel recommends that this matter be dismissed without action.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

31. 2021075931
Opened: 12/6/2021
Unlicensed
History: None

This matter was referred by the Division of Consumer Affairs. Complainant is a Tennessee resident. Respondent is an unlicensed business entity. Complainant alleges there were holes in the home that later caused an injury and medical attention, along with several other living situation issues. On 10/14/2021, Complainant received a phone call informing them they were to be evicted. Complainant states their apartment is intended for one (1) occupant, but several neighbors, like Complainant, have more than one (1) person residing in the apartment units. Complainant states Respondent should be reported to code enforcement and several repair requests were made and never completed. Complainant provides several photographs and copies of communications.

Respondent answered the complaint stating the hole in the ceiling was not brought to their attention due to a recently fired employee. Respondent informed Complainant that because their additional resident in their apartment had a criminal conviction, they were banned from the property and if Complainant were to continue housing the additional resident Complainant may lose their apartment. Respondent states the owner of the property has the right to increase the rent per their lease and had not done so for three (3) years prior to the increase in July of 2021.

Upon review of the complaint, and responses from Complainant and Respondent, Counsel finds no evidence to support Respondent is in violation of the rules and statutes of the Commission. It appears that this matter is mostly a landlord-tenant dispute and outside of the Commission's jurisdiction. Therefore, Counsel recommends that this matter be dismissed without action.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

32. 2021074231
Opened: 12/13/2021
First Licensed: 9/27/2017
Expires: 9/26/2023
Type of License: Affiliate Broker
History: None

Complainant is a licensed home inspector. Respondent is a licensee. Complainant had a scheduled visit to a listed home for their client that was later canceled. Complainant further states their client discovered Complainant was not allowed on the subject property for a home inspection. When Complainant inquired about this, they were told Respondent recommends to every seller listed with Respondent to exempt Complainant from their listed properties. Complainant states Respondent threatened them, and believes Respondent is a direct threat to their own safety and their company. Complainant provides a copy of a text message to support the previous statement.

Respondent answered the complaint providing their side of the argument and reasoning for each of the allegations of Complainant. Respondent states they have duties to their clients, customers, the public, and other licensees. In this particular transaction Respondent believes they have served the client in their best interest,

caused no harm to the public, and have worked in good faith. Respondent explains that they have not required every seller to exempt Complainant from work, but they have explained to their customers some of their concerns about Respondent's work product and conduct on social media. Respondent provides various social media comments and, as well as text messages.

Complainant provided a rebuttal responding to several of the issues raised by Respondent in their response and in the social media postings attached. Complainant reiterates that they believe Respondent has violated the code of ethics in Respondent's recommendation to their clients. Based on the information provided by Complainant and Respondent and the information above, Counsel finds no violation of the statutes or rules. This matter appears to be a personal relationship dispute, or if anything allegations of ethical violations and does not fall into the Commission's jurisdiction. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

33. 2021075521
Opened: 12/13/2021
First Licensed: 8/21/1997
Expires: 3/26/2022
Type of License: Affiliate Broker
History: None

Complainant is a Tennessee resident. Respondent is a licensee. Complainant states their property sold with a projected closing date of 8/16/2021. On 11/17/2021, Complainant found Respondent did not pay the mortgage company and Respondent informed Complainant the mortgage company returned the check via mail. Complainant states the mortgage company did not receive a check. After contacting law enforcement, Complainant discovered their name still remained on the deed. Complainant is concerned the deed is "not technically legal" and has notified the buyers of Complainant's property and. All parties spoke and consulted with attorneys.

Respondent answered the complaint stating this is the first time their company has had a payoff delayed due to a mortgage company and apologizes for the inconvenience. Respondent states the closing occurred on 8/16/2021 with funds

received via personal check. The bank held the funds for seven (7) banking days before issuing the certified funds for closing. The bank wrote the check on 9/8/2021 and contained a letter stating payoff was good through 9/15/2021. Respondent states they received the mail at their P.O. Box on 11/17/2021 torn and destroyed. At that point, Respondent contacted Complainant and requested Complainant come discuss how to remedy the situation. Respondent states Complainant ceased communications while Respondent was contacting the bank about the destroyed certified funds. The bank verified and issued a refund to Respondent's escrow account and the funds were immediately wired to Complainant's mortgage company. Respondent provides the transaction file that support their sequence of events. Respondent provided further information in a letter dated 12/8/2021 from Complainant's mortgage company verification the mortgage was current as of 11/17/2021.

Complainant submitted a rebuttal and copy of the demand letter sent to Respondent's firm on 12/2/2021. The demand letter details the amount of unsatisfied funds entrusted to Respondent by Complainant and the sellers. Complainant states despite reaching a remedy, both Complainant and the buyers retained counsel to resolve the matter. Complainant believes they were taken advantage; however, are satisfied the transaction is complete.

It appears Respondent received the damaged and torn payoff check on 11/17/2021 at no fault of Respondent. Further, Respondent took immediate steps to remedy the solution. It appears a time lapsed occurred between the time Complainant's demand letter was sent to Respondent and the time Respondent received verification of the mortgage company. After reviewing the information submitted by Complainant and Respondent including creating a timeline, Counsel does not see any clear violations of the Commission's rules and statutes. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission voted to defer this complaint until the April Commission meeting to allow counsel to gather more information.

34. 2021076271
Opened: 12/13/2021
Unlicensed
History: None

Complainant is a Tennessee resident. Respondent is an unlicensed entity. Complainant alleges Respondent contacted them several times about selling their home. Complainant states that if Complainant's stop inquiring of the received offer, the firm is required to end inquiries in ten (10) days. Complainant further states that though they enjoy Respondent's advertising, Respondent is harassing and bothering Complainant. Respondent answered the complaint stating as they are not licensed by the Commission, the complaint is not valid. Additionally, Respondent was unable to locate Complainant in their database. Respondent does not cold call, but scammers are cold calling individuals and claiming to be Respondent.

Tenn. Code Ann. § 62-13-102(4)(A) and (B) provide the definitions of "broker" and identify what criteria and activity requires a license with the Commission. Respondent's entity does not "...for a fee, commission, finders fee or any other valuable consideration or with the intention of receiving a fee commission, finders fee or any other valuable consideration..." Respondent's company purchases houses directly from sellers without earning any commission, fee, finder's fee, or any other valuable consideration. As Respondent is not licensed by the Commission, this falls outside of the Commission's jurisdiction. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

35. 2021078161
Opened: 12/13/2021
First Licensed: 4/1/2009
Expires: 3/31/2023
Type of License: Real Estate Firm
History: None

Complainant is a Tennessee resident. Respondent is a licensed real estate firm. On 9/28/2021, Complainant entered a contract to purchase a home. Complainant offered earnest money on 10/29/2021 contingent upon the property appraisal value. On 10/10/2021, the property appraised at a value lower than the asking price and Complainant decided to terminate the contract on 11/19/2021. Complainant states per their contract, they are entitled to a full refund of their earnest money and as of 12/7/2021 have yet to receive their earnest money.

Respondent answered the complaint through their principal broker. Respondent states Complainant is accurate in their complaint summary. Respondent further states the seller were frustrated by the appraisal and requested to challenge the appraisal. All parties agreed a successful challenge would allow the transaction to proceed. Respondent provided ultimately correspondence caused transaction delays and the appraiser declined to change the value. On 12/7/2021, the seller signed the release of earnest money after Respondent explained to the seller legal action would be taken if necessary.

From the documents provided by Complainant and Respondent it appears on 11/19/2021, Complainant's agent informed one (1) of Respondent's licensees that Complainant desired to terminate the contract. Per the documents, November 22, 2021, is the last provided communication from Respondent's agent and Complainant's agent. Tenn. Comp. R. & Regs. 1260-02-.09(9) states that absent a compelling reason, earnest money shall be disbursed twenty-one (21) days from written request for disbursement. Respondent's seller signed the release of earnest money on 12/7/2021, within the twenty-one (21) day requirement. As Counsel sees no violations of rules and statutes, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

36. 2021076311
Opened: 12/20/2021
First Licensed: 11/2/2018
Expires: 11/1/2022
Type of License: Principal Broker
History: None

Complainant is anonymous. Respondent is a licensed principal broker. Complainant states Respondent is not abiding by the advertising rules as the brokerage name and office phone number are absent on a website. Complainant provides no picture of the advertising and only a website URL. The Program issued Respondent an Agreed Citation that was later disputed.

Respondent answered the complaint through their legal counsel. The response states Respondent has not violated Tennessee law as the website is not an advertisement per the Commission's advertising rules. Respondent's counsel states that the website

does not include Respondent's name nor constitutes an advertisement as the website is an image of a lake without any text. Respondent's counsel concludes stating Respondent is unaware of the website or who it belongs to. Counsel finds no violations of the rules or statutes and recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

37. 2021076921

Opened: 12/20/2021

First Licensed: 9/4/2020

Expires: 9/3/2022

Type of License: Affiliate Broker

History: None

Complainant is a Tennessee Resident. Respondent is a licensee. Complainant alleges during the build of a new home Respondent violated various REALTORS® Standards of Practice. This includes explanation of contracts, protecting property, refraining from certain harassing speech, ensuring documents are current, and refusing to cooperate with individuals based on several special classes.

Respondent answered the complaint providing documentation and communication with Complainant and that this new construction has been difficult. Respondent provides explaining, and ultimately denying, each of Complainant's allegations of the REALTORS® Standards of practice. Ultimately, accusations of the REALTORS® Standards of Practice do not fall within the jurisdiction of the Commission. Outside of this point, based on the documents and recounts from each party, Counsel finds no additional information to support evidence of any violations of the rules and statutes and recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

38. 2021077561

Opened: 12/20/2021

First Licensed: 10/12/1995

Expires: 6/10/2023

Type of License: Principal Broker
History: None

Complainant is a Tennessee resident. Respondent is a licensee. Complainant states they made a written offer on 11/30/2021 at noon with a 3:00 p.m. expiration. Complainant alleges Respondent did not present the offer to the seller after speaking with the seller, confirming Complainant's allegation Respondent did not receive the offer. Complainant alleges Respondent has been known to withhold offers from buyers. Complainant provides no documents in support of their complaint.

Respondent states the offer was presented via text message and responded to all offers at a time convenient to the seller. Respondent states though the offer had an expiration date, the seller has the discretion whether to respond to an offer. Respondent states Complainant gave a "low ball" offer and the seller unavailable to review all offers until that Thursday. Respondent further states the seller knew of Complainant's offer and ultimately rejected the offer. Respondent states they have been licensed for almost thirty (30) years and denies Complainant's allegation Respondent did not submit the offer to the seller. Respondent provides a copy of a text message supporting Respondent showed Complainant's offer to the seller.

Respondent provides copies of the purchase and sale agreement, along with a statement from Complainant's agent denying their client's version of the situation. Complainant's agent confirmed Respondent did inform the seller of the offer which matched the same previously rejected offer on 11/23/2021. Complainant's agent further states Complainant also contacted at least two (2) additional sellers directly, without going through Complainant's agent.

Based on the information provided by Complainant and Respondent, Counsel finds no evidence to support Complainant's allegation. Further, Counsel finds no violations of the rules and statutes and recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

39. 2021078771
Opened: 12/20/2021
First Licensed: 3/12/2020
Expires: 3/11/2022
Type of License: Real Estate Broker

History: None

This is an administratively opened complaint. Respondent self-reported real estate related discipline from another jurisdiction resulting in suspension of Respondent's license. Specifically, the "Stipulation and Agreement" states upon an audit of Respondent, several findings warranted disciplinary action. Upon discovery of the findings Respondent worked to make the necessary corrections and elected to enroll in two (2) courses on subjects related to trust account regulations and brokerage management. The findings included the trust accounts were not established correctly, as owners had signing authority. The matter was resolved and in the "Stipulation and Agreement" Respondent closed the deficient accounts and rolled the funds into another company for easier supervision purposes.

Tenn. Code Ann. § 62-13-312(f) requires when a licensee to notify the Commission within sixty (60) days is the licensee is convicted of any offense enumerated and the license shall be automatically revoked. In this instance, Respondent was not convicted of any event as this matter was settled through an occupational licensing entity. Therefore, this section of the statute is not applicable. Additionally, as Tenn. Comp. R. & Regs. 1260-01-.04(6) requires licensee to report disciplinary sanctions within the past ten (10) years from any location, state, or federal occupational body. However, this provision is required for individuals applying for licensure and examination. Therefore, this also does not apply. Though Respondent notified the Commission of this infraction, there is no specific rule or statute requiring revocation for a license during a renewal period for an occupational licensing violation. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

40. 2021079341
Opened: 12/20/2021
First Licensed: 9/2/1988
Expires: 3/17/2023
Type of License: Real Estate Firm
History: None

This matter was referred by the Division of Consumer Affairs. Complainant is a Tennessee resident. Respondent is a licensed firm. Complainant alleges they have been without air conditioning in their apartment since 9/3/2021 and Respondent has

taken little steps to remedy the issue. Complainant states Respondent's apartment manager only offered a slight reduction in rent for air conditioning to work only one (1) of the three (3) months during their residence.

Respondent answered the complaint through their regional manager. Respondent states they offered Complainant a rent reduction more than twice the amount alleged in the complaint and Respondent provided Complainant a portable air conditioning unit. Respondent further states they have every intention to fix or replace the air conditioner next spring as maintenance at the time of the complaint is focused on repairing heat during the lower temperature months.

Complainant provides a rebuttal stating their previous complaint should have clarified that Respondent provided rent reduction on a monthly basis. However, this compensation ended in December as Respondent claims this is one of the cooler months. Furthermore, Complainant states living in the south means the temperature varies, and the portable unit only extends so far and does not circulate into the bedroom. The matter at issue between Complainant and Respondent appears to be more of a landlord-tenant issue of which the Commission does not have jurisdiction to review. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

41. 2021079521

Opened: 12/27/2021

First Licensed: 6/17/2010

Expires: 6/16/2022

Type of License: Affiliate Broker

History: None

Complainant is a Tennessee resident. Respondent is a licensee. Complainant alleges Respondent misrepresented a property through advertisement, disclosure, and contract. Specifically, Complainant alleges the property included a designated outdoor grilling area, microwave oven, and the owner agreed to leave most kitchen items. Complainant provides a copy of an "Individual Condominium Unit Appraisal Report" that marks boxes for refrigerator, range/oven, microwave, and dishwasher and a portion of their purchase and sale agreement contains "range, dishwasher, installed outdoor cooking grill, and a microwave."

Respondent answered the complaint stating they attempted to remedy Complainant's pain point. Respondent states the MLS listing did not include the microwave and outdoor grill. When Respondent realized Complainant expected a microwave, Respondent offered to purchase, and ultimately rejected, a microwave for Complainant. Respondent stated the seller had not been to the property in over a year and checked boxes on the property condition disclosure to the best of their knowledge as is stated on the form. Respondent further states Complainant did not raise these issues during the initial showing, a showing under contract, during due diligence, or two (2) final walkthroughs. Respondent states they only knew about the microwave and made attempts to resolve and did not intend to mislead anyone. Respondent closes sincerely apologizing and interested to know what more could have been done differently or better.

Based on the information provided by Complainant and Respondent, Counsel finds no evidence to suggest Respondent knowingly misled Complainant regarding the items not included per the property condition disclosure and relied upon their client. The agreement states the seller is to complete the form to the best of their knowledge. Here, the seller did complete the document to the best of their knowledge and Respondent did attempt to remedy at the one known error, which Complainant denied. Therefore, Counsel finds no violation of the rules and statutes by Respondent and recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

42. 2021075361

Opened: 1/5/2022

First Licensed: 8/30/2004

Expires: 3/25/2022

Type of License: Principal Broker

History: 2008 Consent Order; 2015 Consent Order for earnest money violation; 2019 Consent Order for failure to exercise reasonable skill and care in providing services to all parties to the transaction

Complainant is a Tennessee resident. Respondent is a licensee. Complainant states they have a property management agreement with Respondent who serves as a property manager. Complainant alleges Respondent has refused to evict non-paying tenants, provide accounting, preventing inspections, does not communicate, and money is missing.

Respondent answered the complaint through their attorney. Respondent's counsel begins stating Complainant does not have an ownership interest in the property at subject and denies all allegations made against Respondent. Respondent's counsel states Complainant and their partner purchased the property in question as a rental property and do not reside in the state. Respondent's LLC served as landlord and property management company. In November of 2019, Complainant and their partner quitclaimed their entire interest in the property to a trust that is now the sole owner. Respondent's counsel states during the property management agreement, Complainant never filed a complaint against Respondent.

On 12/14/2021 Complainant submitted their desire to withdraw the complaint as their grievances were resolved to their satisfaction. Nonetheless, Counsel still reviewed the complaint. Based upon the information submitted by Complainant and Respondent's counsel, Counsel finds no violations of the rules and statutes and recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

43. 2021075831

Opened: 1/5/2022

First Licensed: 3/4/1985

Expires: 3/26/2022

Type of License: Affiliate Broker

History: None

Complaints 2021075831 ("Respondent 1") and 2021075861 ("Respondent 2") are related. Complainant is a Tennessee resident. Respondents are licensees. Complainant states they were to close on a house on November 15, 2021, but at the last minute the seller breached the contract with no explanation. Complainant alleges Respondent 1 informed Complainant the seller did not get the house they wanted that would subsequently trigger the sale of their current residence. Complainant alleges they have spent thousands of dollars on materials, an appraisal, and an earnest money deposit. Complainant states they believe Respondents have misled them and neither has reached out to Complainant. Additionally, Complainant alleges there was no contingency in the contract from either party.

Respondent's principal broker submits a response on their behalf. Respondent's principal broker states Complainant entered a contract on 10/19/2021 and Complainant provided a conditional "Pre-Qualification Letter" from a certain bank. Respondent's principal broker states Complainant was unable to obtain approval of a loan and requested an extension to 11/12/2021 with confidence a new lender would provide Complainant a loan. The seller approved the extension, but on the new closing date, Complainant was still unable to receive the loan and the sellers declined another extension. The seller terminated the listing agreement, and their home was taken off the market on 11/29/2021. Respondent's principal broker concludes stating Complainant's earnest money refund was prepared and returned on 12/3/2021.

Complainant submitted a rebuttal stating they could say more, but it could not be expressed through email because it is a long list, but denies the claims made by Respondent's principal broker. Tenn. Comp. R. & Regs. 1260-02-.09(9) states that absent a compelling reason, earnest money shall be disbursed twenty-one (21) days from written request for disbursement. Respondent's seller signed the release of earnest money on 12/7/2021, within the twenty-one (21) day requirement. Additionally, whether the sellers breached the contract is a contractual dispute and outside the jurisdiction of the Commission. As Counsel sees no violations of rules and statutes, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

44. 2021075861
Opened: 1/5/2022
First Licensed: 5/5/1988
Expires: 12/18/2023
Type of License: Affiliate Broker
History: None

Complaints 2021075831 ("Respondent 1") and 2021075861 ("Respondent 2") are related. Complainant is a Tennessee resident. Respondents are licensees. Complainant states they were to close on a house on November 15, 2021, but at the last minute the seller breached the contract with no explanation. Complainant alleges Respondent 1 informed Complainant the seller did not get the house they wanted that would subsequently trigger the sale of their current residence. Complainant alleges they have spent thousands of dollars on materials, an appraisal, and an earnest

money deposit. Complainant states they believe Respondents have misled them and neither has reached out to Complainant. Additionally, Complainant alleges there was no contingency in the contract from either party.

Respondent's principal broker submits a response on their behalf. Respondent's principal broker states Complainant entered a contract on 10/19/2021 and Complainant provided a conditional "Pre-Qualification Letter" from a certain bank. Respondent's principal broker states Complainant was unable to obtain approval of a loan and requested an extension to 11/12/2021 with confidence a new lender would provide Complainant a loan. The seller approved the extension, but on the new closing date, Complainant was still unable to receive the loan and the sellers declined another extension. The seller terminated the listing agreement, and their home was taken off the market on 11/29/2021. Respondent's principal broker concludes stating Complainant's earnest money refund was prepared and returned on 12/3/2021.

Complainant submitted a rebuttal stating they could say more, but it could not be expressed through email because it is a long list, but denies the claims made by Respondent's principal broker. Tenn. Comp. R. & Regs. 1260-02-.09(9) states that absent a compelling reason, earnest money shall be disbursed twenty-one (21) days from written request for disbursement. Respondent's seller signed the release of earnest money on 12/7/2021, within the twenty-one (21) day requirement. Additionally, whether the sellers breached the contract is a contractual dispute and outside the jurisdiction of the Commission. As Counsel sees no violations of rules and statutes, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted counsel's recommendation.

45. 2021076991
Opened: 1/5/2022
First Licensed: 9/9/2021
Expires: 9/8/2023
Type of License: Affiliate Broker
History: None

Complainant and Respondent are both licensees. Complainant alleges their clients were scheduled to close on 10/15/2021 and the buyers agreed to submit earnest money toward the purchase within five (5) days of the contract. On 10/12/2021, Complainant received a request to extend closing by two (2) weeks. Complainant's

clients agreed to the extension and the buyers would relinquish earnest money if closing did not occur on 10/29/2021. All parties signed the extension on 10/15/2021. Complainant states they did not received notice from Respondent or their client. Also, Respondent and their client had yet to submit any documentation for purchase or closing. Complainant alleges upon contacting Respondent they were told to contact Respondent's client as they are handling the earnest money deposit. Complainant contacted Respondent's client and was provided no clear answer on the missing funds, but Respondent's client assured closing would proceed the next day. The day of closing Complainant spoke to Respondent's client several times and finally stated Respondent was to send an extension agreement. Complainant's clients allowed the contract to expire and did not sign an extension. However, Complainant's clients have yet to receive the agreed upon earnest money.

Respondent answered the complaint stating they and their fiancé, now husband, submitted an offer to purchase the home of Complainant's sellers. Respondent details that an extension was made past the original closing date and the earnest money was due five (5) days after the contract bound. Respondent states their client began having difficulties submitting earnest money due to several issues including inability to access accounts frozen due by the bank to fraudulent activity, a check failing to clear, notice a cashier's check could not be sent from a stock brokerage account, wiring instruction mishaps, missed communications without response, and Respondent's client changing jobs which led to changing the loan application bank. On 10/28/2021, Complainant contacted Respondent about the absent earnest money. Respondent contacted their law firm holding the funds to inquire if the funds had arrived but failed to receive a response and therefore believed closing would proceed as usual on 10/29/2021. However, on 10/29/2021 it was clear to Respondent that this matter would not close on this date. When Respondent called Complainant, Respondent alleges Complainant informed Respondent the contract was to be cancelled by RF 656. Respondent stated since they did not hear communication about the earnest money from Complainant and that previously Complainant terminated the contract stating it was null and void, no outstanding earnest money remained. Respondent states Complainant made no mention of any further obligations, financial or otherwise.

Counsel reviewed all documents related to the transaction, including the RF 656. The RF 656, or Notification, does not select any boxes stating the contract is null and void. The Notice does select that earnest money has been dishonored and the buyer has failed to timely deliver available funds following notice and the seller is exercising their right to terminate. Additionally, the provision including the language from the Amendment stating the contract is terminated per facts in Amendment 1 is

listed in “OTHER.” Therefore, Counsel finds no evidence to support Respondent’s claim the agreement was null and void. Counsel finds Respondent is in violation of Tenn. Comp. R. & Regs. 1260-02-.09(9) as earnest money was not disbursed within twenty-one (21) calendar days from the date of receipt of a written request for disbursement to be assessed a One Thousand Dollar (\$1,000.00) civil penalty.

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

Commission Decision: The Commission voted to dismiss this complaint and administratively open a complaint against Respondent’s principal broker.

46. 2021078101

Opened: 1/5/2022

First Licensed: 4/30/2012

Expires: 4/29/2020 – Expired

Type of License: Affiliate Broker

History: None

This is an administratively opened complaint. Complainant and Respondent are licensees. The previous connected complaint, REC-2021068581, was opened against Respondent’s principal broker for failure to supervise Respondent. Respondent’s license expired on April 29, 2020. Complainant alleges during this unlicensed period; Respondent was involved in real estate transactions. Complainant provided copies of the MLS where Respondent’s name appears as the listing agent and dated during the time Respondent’s license was expired. Respondent’s principal broker concurred with Complainant’s allegations, acknowledged the oversight, and when the license expiration was discovered, Respondent immediately ceased all activity.

Respondent answered the complaint stating they found their license expired in August of 2021. Upon discovery, Respondent called the Commission staff who informed Respondent in order to reinstate their license, Respondent must retest and reapply. Respondent decided to not reinstate their license and shared this fact with their clients and principal broker. Respondent states they cleaned out their office immediately. Respondent states they overlooked their license expiration due to health issues for Respondent and their spouse related to the pandemic. Respondent takes responsibility for their license expiring and states they never willingly, intentionally, or knowingly conducted business on an expired license.

Based on the information provided by Complainant, a previous admission of Respondent's principal broker, and Respondent's answer, Counsel recommends that Respondent be assessed a One Thousand Dollar (\$1,000.00) civil penalty for unlicensed activity.

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

Commission Decision: The Commission accepted counsel's recommendation.

47. 2021079091

Opened: 1/5/2022

First Licensed: 1/21/2020

Expires: 1/20/2024

Type of License: Affiliate Broker

History: 2021 Letter of Warning

Complainant is a resident of another jurisdiction. Respondent is a licensee. On 10/29/2020, Complainant entered into a purchase and sale agreement to sell their property to Respondent. The subject property is located in Complainant's jurisdiction. Complainant states Respondent had issues with the listing due to HOA security in Complainant's neighborhood. Following this issue, Complainant then alleges Respondent terminated the purchase and sale agreement and stated a termination letter was forthcoming. Later, Complainant provides they attempted to sell their property with another agent and during this sale discovered a title issue related to Respondent. Complainant states they called Respondent in attempt to remedy the situation. Following the call, Respondent informed Complainant they incurred expenses and expected compensation before removing the affidavit and memorandum of agreement attached Complainant's property title. As Complainant wanted to sell their home quickly, Complainant agreed to pay Respondent as well as the additional fee to use Respondent's attorney for the monetary transaction. Complainant alleges the actions of Respondent were unethical or possibly considered as extortion since Complainant states Respondent was aware of their eagerness to sell their property.

Respondent answered the complaint stating the subject property is not located in Tennessee and never listed in any Tennessee MLS. Respondent intended to purchase this property as a flip and stated they filed an affidavit and memorandum of agreement in Complainant's jurisdiction at the beginning of the transaction. Respondent states the property was listed by an agent in Complainant's jurisdiction and included which included a gate security code that was later removed from the

listing, the subject of a separate closed complaint with the Commission. Respondent did not release their affidavit and memorandum of agreement to purchase as Respondent incurred costs after Complainant voided the sale and Respondent expected to be compensated for those costs. Respondent stated Complainant accepted a contract to purchase the property knowing of Respondent's attached document. Then, Complainant offered to provide funds to release the affidavit and memorandum of agreement. Respondent accepted Complainant's offer that included the transaction be through Respondent's attorney. Respondent denies all allegations of fraud, extortion, or unethical dealings.

Respondent's principal broker also provided a response stating Complainant's property was never listed in any Tennessee MLS. The principal broker also states Respondent entered this agreement to purchase the property in Complainant's jurisdiction with a listing licensee from the same jurisdiction. Complainant provided a rebuttal denying Respondent's claims. Specifically, Complainant says following the security gate code incident, Respondent informed Complainant they would discontinue marketing the property and would send a release. Complainant's purchase and sale agreement with Respondent ended on 4/17/2021 and the new tentative contract with Complainant's new buyers was signed on 7/3/2021.

Based on the information provided by Complainant and Respondent, it appears Respondent acted as an out of state buyer through a licensed agent in Complainant's jurisdiction. There is no evidence to suggest Respondent acted as an unlicensed individual in Complainant's jurisdiction when the affidavit and memorandum of agreement on a prospective property was placed on Complainant's property. Additionally, there is no evidence provided to support the termination letter Complainant states they never received from Respondent. Also, the file does not show any documents to evidence codifying Respondent was to receive a set amount of money, only a document showing the agreed upon money was sent and received. It is clear the parties disagree on this topic, but little evidence is provided to support either version of the events. Tenn. Comp. R. & Regs. 1260-02-.02(8) states the Commission does not interfere in settlement disputes. Therefore, any recourse related to the payment for releasing the affidavit and memorandum is outside of the Commission's jurisdiction. Counsel further finds no evidence to support any other violation of the rules and statutes by Respondent. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss

Commission Decision: The Commission accepted counsel's recommendation.

TIMESHARES:

- 48. 2021076321**
Opened: 12/27/2021
First Licensed: 8/23/2017
Expires: N/A
Type of License: Time Share Registration – Time Share Exempt
History: None

Complainant is a Tennessee resident. Respondent is a timeshare company. Complainant alleges that the amount they were quoted differed from the amount that was presented at signing. Complainant also alleges that they were not provided a copy of the contract at signing, only a USB stick that was supposed to contain the documents that were signed.

Respondent provided a response and states Complainant agreed to utilize current equity toward the purchase for membership interest in an upgraded contract. Respondent also states that the contract agreements were signed by Complainant and fully disclosed the terms. Respondent states that Complainant attended a closing with a quality assurance officer who trained to ensure customers are comfortable with their purchase and understand the financial obligations within the contract. Respondent further states that after attending the closing and after the rescission period had expired, Complainant continued to utilize the membership.

Respondent received no request from Complainant to cancel prior to the rescission period. Based on the above information, Counsel finds no violations of the rules and statutes as Complainant did not rescind the contract during the rescission period and continued to utilize the membership.

Recommendation: Dismiss

Commission Decision: The Commission accepted counsel's recommendation.

- 49. 2021078711**
Opened: 12/27/2021
First Licensed: 8/23/2017
Expires: N/A
Type of License: Time Share Registration – Time Share Exempt

History: None

Complainant is a Tennessee resident and Respondent is a timeshare company. Complainant alleges Respondent used deceptive and high-pressure business practices and the experience was not as expected. Complainant alleges they were hounded while on vacation to attend presentations. Complainant further alleges that the contact with Respondent led to solicitation emails from different timeshare companies they did not agree to receive. Based on this, Complainant states they should be able to cancel the membership.

Respondent answered the complaint and states that attendance at sales presentations is only mandatory for a designated period of time. This time is based on the terms and conditions of the agreement. Respondent further states the contract agreements Complainant signed fully discloses this aspect of the agreement. Respondent states Complainant attended a closing in which this information was discussed, and at that time Complainant did not express any concerns.

Based on the above information and Complainant failing to terminate the contract during the rescission period, Counsel finds no violations of the rules and statutes and recommends this matter be dismissed.

Recommendation: Dismiss

Commission Decision: The Commission accepted counsel's recommendation.

50. 2021074661

Opened: 1/10/2022

First Licensed: 8/23/2007

Expires: N/A

Type of License: Time Share Registration – Time Share Exempt

History: None

Complainants are Tennessee residents. Respondent is a timeshare company. Complainants allege that at the time of their last timeshare vacation, they were misled into attending a meeting being told attendance was mandatory. At this meeting, Complainants allege they were told the purchase Complainants originally made was no longer available and they would have to upgrade to a newer package. Complainants allege Respondent pressured them for several hours until they agreed to upgrade to a payment plan that they could not afford. Complainants seek to cancel the contract with Respondent.

Respondent answered the complaint and states Complainant signed and received the form associated with the upgrade, which fully disclosed all payment information. Respondent further states that Complainants attended a closing where all contract documents were signed and discussed.

Based on the above information and Complainant failing to terminate the contract during the rescission period, Counsel finds no violations of the rules and statutes and recommends this matter be dismissed.

Recommendation: Dismiss

Commission Decision: The Commission accepted counsel's recommendation.

51. 2021078651

Opened: 1/18/2022

First Licensed: 4/4/2018

Expires: N/A

Type of License: Time Share Registration – Time Share Exempt

History: 2016 Consent Order for allegedly failing to provide refunds within thirty (30) days of cancellation

Complainant is a Tennessee resident. Respondent is a timeshare company. Complainant alleges they purchased a stay package for a vacation and upon arrival was told the purchase was based on price originally paid. As this has increased, Respondent informed Complainant the accommodations would not be as Complainant expected. The day after arriving for the vacation, Complainant went to an owners' meeting and was told that there were updates to the loan that needed to be handled. Complainant applied for an interest free loan and was told the loan was approved. Complainant alleges Respondent stated the payment would stay in the current range. At some point, Complainant alleges they were informed of an issue with the paperwork and asked to come back and sign the agreement the next morning. Upon returning the next morning, the paperwork was still not completed and ready for signature. Three (3) hours later, the paperwork was ready for signature, but Complainant alleges there were errors in the paperwork based on the payment due. Complainant alleges the representative did not accurately represent the terms of the new contract included interest free payments for only the first six (6) months and the new payment is not affordable.

Respondent answered stating that the first section of the credit application is completed and initialed by the Complainant acknowledging the terms of the interest rate. Respondent further states during the recorded closing of the new contract, Complainant verbally acknowledged and agreed to this interest amount and duration. Respondent denies Complainant's cancellation request as this transaction was the sixth transaction completed by Complainant with Respondent and that Complainant exceeded their rescission period.

Based on the above information and Complainant failing to terminate the contract during the rescission period, Counsel finds no violations of the rules and statutes and recommends this matter be dismissed.

Recommendation: Dismiss

Commission Decision: The Commission accepted counsel's recommendation.

52. 2021079121

Opened: 1/18/2022

First Licensed: 6/30/2016

Expires: 6/29/2022

Type of License: Vacation Lodging Service Firm

History: 2018 Agreed Order for failing to within a reasonable time, to account for or remit monies coming into possession belonging to others

Complainant is a Tennessee resident. Respondent is a licensee. Complainant alleges Respondent's website advertising is misleading and fails to include the higher actual prices for lodging on the website. Specifically, when desired criteria for location and dates entered, the prices for those dates and locations were significantly more expensive than the website's general list. Complainant further alleges Respondent is unlicensed.

Respondent provided a response through its attorney that states that the website advertising is not misleading and similar to hotel and airline websites, the pricing is dynamic and based on customer demand and property availability. Respondent further states in the response that they operate as a "d/b/a" and are fully licensed and that license does not expire until June of 2022.

Based on the information provided by both the Complainant and the Respondent, Counsel finds no advertising violation. Further, Respondent does hold a license with

the Commission that does not expire until June 29, 2022. Therefore, Counsel finds no violations of the rules or statutes and recommends this matter be dismissed.

Recommendation: Dismiss

Commission Decision: The Commission accepted counsel's recommendation.

COMMISSION DISCUSSION:

Tennessee Association of REALTORS® - Commissioners recapped the experience and offered valuable feedback.

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