

Tennessee Department of Commerce and Insurance

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LONGEVITY RECOGNITION BREAKFAST HONORS EAST TENNESSEE LICENSEES



Photo "Courtesy of Kevin Rhea."

The highlight for the month of October was the award ceremony for the East Tennessee licensees who have held a real estate license for 40 years or more. These ceremonies date back to 2008 when the late Commissioner Charles Haynes worked to get this recognition approved. Held in each of the three grand divisions, the ceremonies are designed to honor all those licensees who have had a real estate license 40 years or more.

The East Tennessee ceremony was held at the Fox Den Country Club in Farragut. The

Knoxville Area Association of REALTORS® and Mortgage Investors Group sponsored and hosted this well attended event. The morning was filled with reflection and the sharing of stories. The most discussed topics of the morning were the changes in the industry and the passion and enthusiasm for a profession embraced by the attendees. A moment of silence was also taken to honor those licensees who have passed away. The contributions made by all of the early licensees are immeasurable and their legacy will not be forgotten.



Bettye L. Harrison, Chattanooga, first licensed 10/2/1964. Photo "Courtesy of Kevin Rhea."



Marcia Franks Appointed

TREC began 2014 welcoming a newly appointed Commissioner. Marcia Franks of Franklin was appointed by Governor Haslam to serve as one of the Middle Tennessee industry Commissioners. Franks is the owner and Principal Broker of Franklin REALTORS®, Inc. She is a member of the Williamson County Association of REALTORS® and served as President in 2006 and REALTOR® of the Year in 2007. Franks also

cont. next page

In This Edition

- East Tennessee Longevity Breakfast ..
- Meet Marcia Franks
- Fingerprinting and Criminal
- Background Checks
- Supervising Broker Best Practices ...
- Guide
- TREC Statistics
- Disciplinary Action Reports

CRIMINAL BACKGROUND CHECKS

http://www.tn.gov/regboards/trec/documents/FingerprintApplicantInstructions_001.pdf

As of January 1, 2014, TREC requires initial applicants and individuals who retest and reapply for a real estate license to submit fingerprints. Affiliate licensees that hold a current Tennessee license and meet all current requirements for Broker are not required to be fingerprinted. The fingerprint process is administered by MorphoTrust USA and the backgrounds are run through the FBI and the TBI before the results are sent to TREC. L1 MorphoTrust USA will have kiosks conveniently located throughout Tennessee. Only fingerprints taken through the L1 MorphoTrust USA system with the TREC OIR identifying number can be accepted. No fingerprints taken for other licenses are acceptable. The statute provides for no waivers of the fingerprint requirement. It states: no license shall issue without fingerprint report submitted pursuant to TREC instructions. To learn more about the procedure, visit www.L1Enrollement.com. Helpful information is also posted on TREC Home Page www.tn.gov/regboards/trec/.

TREC Welcomes Kimberly Smith

Kimberly has joined the Tennessee Real Estate Commission coming from the airline industry. A native of Nashville, she holds a B.A. in Foreign Language from Middle Tennessee State University and A.S. in Secondary Teaching. Ms. Smith will assist with licensing issues as well as serving as the occasional translator.



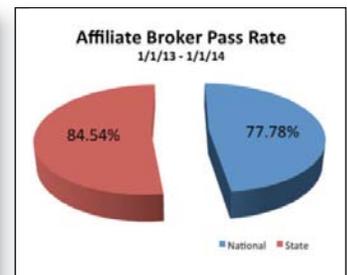
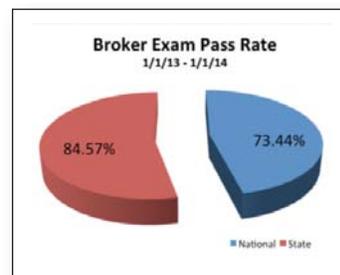
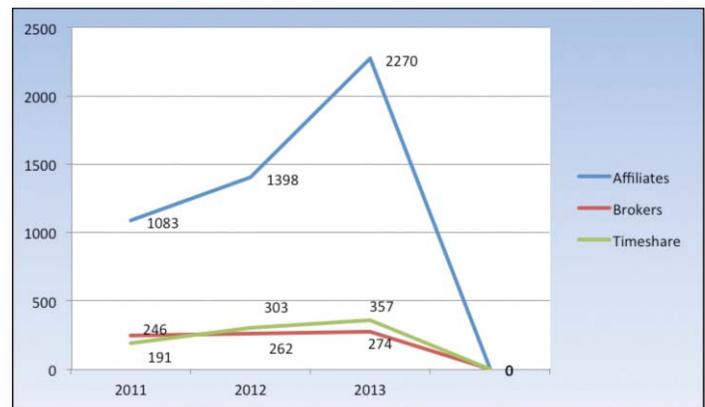
Supervising Broker Best Practices

The Association of Real Estate License Law Officials (ARELLO®) has prepared a guide that compliments TREC laws and rules to assist principal brokers. This guide does not supersede TREC law and rules and should be used to assist in developing a good action plan or office policy. Brokers are encouraged to seek legal counsel in the development of their company policies and procedures. The Supervising Broker Best Practices guide is located on the TREC webpage <http://www.tn.gov/regboards/trec/documents/ARELLOSupervisingBrokerGuide.pdf>.

Notification Options Are Now Available

You can now receive TREC notifications regarding new or amended statutes, new or updated rules, changes to fees, rulemaking hearings and policy changes sent via text or e-mail. You can sign up by visiting www.tn.gov/regboards/trec/. TREC notifications regarding education, renewal or discipline will be sent by post.

PSI Testing Statistics



Franks Appointment ...cont.

served as President of the Women's Council of REALTORS® in 2007 and was awarded Women's Council REALTOR® of the Year in 2008. Marcia is also active with the Tennessee Association of REALTORS® where she has served on the board as well as the Political Action Committee Trustee and Secretary Treasurer.

TREC thanks Michelle Haynes for her service to the Commission. Haynes was appointed to serve the remainder of her late husband's term, Charles Haynes.

TREC STATISTICS

Number of Licensees as of 01/31/2014

Type	Active	Inactive	Retired	Broker Release*	Grand Total
People	23,844 (-241)	1,101 (+151)	8,301 (+30)	240 (+71)	33,486 (+11)
Firms	3,905 (-8)		211 (+4)		4,116 (-4)
TOTALS	24,749 (-249)	1,101 (-151)	8,512 (+34)	240 (+71)	37,602 (+7)

*Broker Released licensees are those usually in the process of transferring or going inactive/retired.

Timeshare Registrations Active	205 (-1)
Licensed Acquisitions Agent Active	120 (+6)
Vacation Lodging Service Active	494 (-5)
Suspension Status	494 (-5)

TREC Honors Isaac Northern, Jr.



Chairman "Bear" Stephenson congratulates former Commissioner Isaac Northern, Jr. for his 10 years of dedicated service to the Tennessee Real Estate Commission.

ADVERTISING GUIDELINE

The information provided should assist you in determining if your sign is compliant with TREC's existing statutes and rules. Remember that all advertising is under that direct supervision of the principal broker. New advertising rules have been approved by the Commission to move forward in the rule making process. This process could take nine (9) months or more and a public hearing will be held as part of the rule making. Until the process is complete the current rules are in effect.



**SIGN POSTED ON ANY
PROPERTY
(EVEN BILLBOARDS!!)**

Is My Sign Compliant??

1. **Licensed Firm Name:** in letters the same size or larger than those spelling out the name of the licensee.
2. **Firm:** Telephone Number
3. **Licensee Name:** Can be NO larger than the **smallest** font of the firm name.
4. **Logos** are permitted but firm name and firm telephone number must always appear. Logos are not the firm name.

See T.C.A. § 62-13-310(b), Rule 1260-02-.12 and July 2013 Commission Minutes

— DISCIPLINARY ACTION REPORT —

The list of all disciplinary actions taken by the Commission can be found online under the Disciplinary Action Report Link. This link is found under the Quick Links section on the TREC Website www.tn.gov/regboards/trec. The list is updated monthly and reflects the regulatory boards alphabetically.

2014 TREC Commission Meeting Schedule

You are encouraged to attend to not only learn how business of TREC is handled but to also receive (8) eight hours of CE at no charge. If you are interested in attending or would like more information, contact Betsy Bowman at betsy.bowman@tn.gov.

Please continue to check TREC Homepage for any adjustments to this schedule. All meetings begin at 9:00 a.m. at location's local time.

Date	Time	Location
1/8/2014 – 1/9/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243
2/5/2014 - 2/6/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243
3/5/2014 – 3/6/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243
4/2/2014 – 4/3/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243
5/8/2014	9AM	George A. Smith Meeting Room @ City Hall 107 E Main Street Jackson, TN 38301
6/4/2014 – 6/5/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243
7/2/2014 – 7/3/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243
8/6/2014 – 8/7/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243
9/10/2014 – 9/11/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243
10/9/2014 – 10/10/2014	9AM	East Tennessee- tbd
11/5/2014 – 11/6/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243
12/3/2014 – 12/4/2014	9AM	Davy Crockett Tower, Room 1 A 500 James Robertson Parkway Nashville, TN 37243

Date	Time*	Association	City	Facility
February 12, 2014	11am- 1pm	Eastern Middle Tennessee Association of REALTORS®	Mt. Juliet	@ EMTAR® 2588 N. Mt. Juliet Rd. Mt. Juliet, TN 37122
May 20, 2014	9am – 11am 1pm – 3pm	Greater Nashville Association of REALTORS®	Nashville	@ GNAR® 4540 Trousdale Drive Nashville, TN 37204
May 21, 2014	9am – 11am	Robertson County Association of REALTORS®	Springfield	@ F & M Bank 3519 Tom Austin Hwy. Springfield, TN 37172
May 21, 2014	2pm – 4pm	Sumner Association of REALTORS®	Hendersonville	@ Hendersonville Library 140 Saundersville Rd. Hendersonville, TN 37075
June 12, 2014	9am- 11am 1pm – 3pm	Memphis Area Association of REALTORS®	Memphis	@ MAAR 6393 Poplar Ave. Memphis, TN 38119
June 13, 2014	9am – 11am 1pm – 3pm	Central West TN Association Of REALTORS®	Jackson	@CWTAR 935 Old Humboldt Rd. Jackson, TN 38305
November 13, 2014	12Noon – 2pm	Upper Cumberland Association of REALTORS®	Cookeville	@UCAR 1330B Neal St. Cookeville, TN 38501
November 14, 2014	9am – 11am 1pm – 3pm	Greater Chattanooga Association of REALTORS®	Chattanooga	@GCAR 2963 Amnicola Hwy. Chattanooga, TN 37406

*Times listed reflect the local time of that location.

2014 TREC 2 Hour CE Seminar Schedule

TREC invites you to attend an upcoming Education Seminar. These informative sessions hosted by local REALTOR® Associations are open to all licensees and provide updates to the laws and rules that govern the real estate license as well as a thorough overview of the required Error and Omissions policy. Please contact a hosting REALTOR® Association and make arrangements to attend one of these sessions across the state.

TREC TIPS

- Licensees within a firm may not operate separate entities to manage properties- must be done through the firm
- TREC cannot accept stamped signatures but will accept digital or electronic signatures
- You can change your mailing address online free of charge and avoid potential \$250.00 fine <http://www.tn.gov/regboards/trec/>
- VLS and DA expiration dates must match
- Remember to pay your renewal fee when license is retired
- Continuing Education will post but not required when in retired status
- Preserve all of your real estate files for at least (3) years
- Check your education online <http://verify.tn.gov>
- Please select a MasterCard, Visa, AmEx or Discover type card for payment of an online service. If you use a debit card, it must be associated with MasterCard or Visa for the transaction to post.
- TREC only recognizes an Active and Retired Status. Broker Release and Inactive are non-renewable license statuses
- A licensee has (10) days to answer a complaint received by the Commission. Please give a complete response and send supporting documents
- A copy must be given of any listing, sale, lease or other contract relevant to a real estate transaction at the time of the execution of all signatories.
- When Broker Released, affiliate with another firm or retire your license within ten (10) days
- Always pick-up and sign for Certified Mail sent from TREC

Feeling Creative and Generous?

Client retention and business growth are on the minds of many. To ensure your marketing plan and sales strategies are compliant, review the statute and rule regarding claims, guarantees, gifts, inducements, and prizes. Cash and any gift that can be readily converted to cash are not permitted. T.C.A. § 62-13-302(b) states that “*a real estate licensee shall not give or pay cash rebates, cash gifts or cash prizes in conjunction with any real estate transaction. As part of the Tennessee real estate commission’s general rulemaking authority the commission may regulate the practice of real estate licensees regarding gifts, prizes or rebates that are not otherwise prohibited by law*”. Be aware of this law when deciding which concessions are permitted when you are feeling creative and generous.

Rule 1260-2-.33 is written to assist licensee’s crafting marketing slogans or pitches. TREC’s mission is to protect the public and providing enough trigger terms with inducements will assist the consumer if the inducement is applicable to them. Licensees are allowed to offer a gift, prize or other valuable consideration as an inducement to the purchase, listing, or lease of real estate only if the offer is made:

- (a) Under the sponsorship and with the approval of the firm with whom the licensee is affiliated; and
- (b) In writing, signed by the licensee, with disclosure of all pertinent details, including but not limited to:
 1. Accurate specifications of the gift, prize, or other valuable consideration offered;
 2. Fair market value;
 3. The time and place of delivery; and
 4. Any requirements which must be satisfied by the prospective purchase of lessor.

Gifts are permitted as long as they are not cash and the public is aware of the rules. Any guaranteed home sale promotions must display on the face of the advertisement the trigger terms qualifying the guarantee offered. Make sure to review the statute and rule before you implement a creative and generous marketing or sales technique. Rule 1260-02-.12(5) Guarantees, Claims & Offers.

Broker Release and the TREC Form 1

Licensees that are Broker Released have ten (10) days to either affiliate with another firm or retire the real estate license. If a licensee does not have the required education to go into retired status, pursuant to T.C.A. § 62-13-318, the licensee will be granted time until their license expiry to be inactive. The licensee must complete all required education prior to their expiry date. If the

cont. next page

NOTIFICATION OF ADDRESS CHANGE and FIRM AFFILIATION

Have you recently moved?? If yes, then TREC needs to know!! It is important to notify TREC of your change of home address. We need this information because a growing number of licensees are not in constant contact with their firm. The process is fast and easy and of course NO CHARGE for home address unless TREC receives notice from the licensee in writing we cannot change the address on your real estate license.

Visit <https://apps.tn.gov/ciupdates/> to complete the change online or from our home page under Forms and Downloads in the Quick Links Box. TREC will update your file. Make sure to provide all your information including your license number if using the TREC Form 1 option.

TREC Contact Information

(615) 741-2273 or (800) 342-4031

www.tn.gov/regboards/trec/

PERSONNEL & AREAS OF RESPONSIBILITY

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Executive Director:

Eve Maxwell

Education Director:

Stephen McDonald

Legal:

Julie Cropp

Administrative Assistance:

Amy Mayfield
Betsy Bowman
Kelly Hestand

Office Manager:

Dennis Hodges

Board Meetings:

Kelly Hestand

Complaints:

Conell House

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Kim Dorris
Gil Dyer
Rachel Fowler
Karen Patton
Richard Thomas
Kimberly D. Smith

Reception & Records Management:

Ken Spurlock
Linda Wolfert

Errors & Omissions Insurance:

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Stephen McDonald

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"The Tennessee Department of Commerce and Insurance is committed to principles of equal opportunity, equal access, and affirmative action." Contact the EEO Coordinator or ADA Coordinator (615) 253-7685.

Tennessee Real Estate Commission

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Nashville, Tennessee 37243-1151



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Broker Release...cont.

education is not completed the license will go from inactive to expired on the expiry date of the license.

There are instances where the Principal Broker is physically no longer capable of releasing an affiliate, the Principal Broker is deceased, the Principal Broker refuses to release the affiliate from a firm or the Principal Broker has left with whereabouts unknown. An affiliate in these instances will inform TREC by completing the "Affidavit for Release" located on our webpage under the Forms and Downloads link located in the Quick Links section. Completion of the required administrative measures for either change of affiliate or retirement within ten (10) days is required by Rule 1260-02-.02(2). Failure to timely complete the required administrative measures could result in civil penalties.