



**STATE OF TENNESSEE
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NASHVILLE, TN 37243
615-741-2273**

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

MINUTES

The Tennessee Real Estate Commission met on May 9, 2024, at 8:30 a.m. CST in the George A Smith meeting room, Jackson City Hall at 101 E. Main Street, Jackson, TN 38301. Executive Director Denise Baker read the public disclaimer and called the roll. The following Commission members were present: Chairman Geoff Diaz, Commissioner Joan Smith, Commissioner Jon Moffett, Commissioner Stacie Torbett, Commissioner Kathy Tucker, and Commissioner Michael Gaughan. Vice-Chair DJ Farris, Commissioner Joe Begley, and Commissioner Steve Guinn were absent. Quorum Confirmed. Others present are Associate General Counsel Anna D. Matlock, Associate General Counsel Kimberly Cooper, Associate General Counsel Aerial Carter, Education Director Ross White, and TREC staff member Aaron Smith.

The board's May meeting agenda was submitted for approval.

The motion to approve the May 9, 2024, agenda was made by Commissioner Smith and seconded by Commissioner Moffett. The motion passed unanimously.

The April 10, 2024, Commission meeting minutes were submitted for approval.

The motion to approve the April 10, 2024, minutes was made by Commissioner Tucker and seconded by Commissioner Gaughan. The motion passed 5-0 Commissioner Torbett abstained.

WAIVER REQUEST

Executive Director Denise Baker presented Megan Hebel to the Commission seeking a medical waiver for fees.

The motion to approve the waiver was made by Commissioner Gaughan and seconded by Commissioner Torbett. The motion passed unanimously.

EDUCATION REPORT

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

The motion to approve courses M1-M44 was made by Commissioner Smith and seconded by Commissioner Tucker. The motion passed unanimously.

Education Director Ross White presented the Instructor Bios for approval.

The motion to approve the Instructors Bios was made by Commissioner Smith and seconded by Commissioner Moffett. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Denise Baker updated the Commission on the topics below.

License and Complaint Metrics – The Executive Director highlighted licensing numbers for the state, in addition to opened and closed complaints.

TREC TN High School Licensing Program – The Commission was advised that the program was launched on April 30, 2024, with 10 applicants to date.

ARELLO Annual Conference—Executive Director Baker advised that the ARELLO Annual Conference will be held in Chicago from September 23rd to 26th. Commissioners College will also be offered for this conference.

LEGAL SECTION:

Legislative Update:

Associate General Counsel Anna D. Matlock provided the Commission a legislative update related to a new statutory provision related to renewal of an expired license in retirement. [Public Chapter 734](#) was signed into law by Governor Bill Lee on April 19, 2024, and goes into effect on July 1, 2024. The new statute allows individuals whose license's have lapsed while in retirement, the opportunity to renew their now expired license, after the payment of missed renewal fees, any penalty imposed by the Commission, and the completion of any continuing education due, had the individual's license not lapsed. Rules implementing this portion of the statute are forthcoming.

CONSENT AGENDA

The following cases were presented to the Commission via a Consent Agenda. Legal counsel reviewed all cases and recommended dismissal or disciplinary action.

A motion was made to accept Counsel's recommendation for complaints 1-52 except for the following complaints, which were pulled for further discussion: **2023063931, 2024002471, 2024008391, 2023065781, 2024003731, 2024010111, 2024009911, 2024013401, 2023023151, 2023056771.**

The motion was made by Commissioner Smith and seconded by Commissioner Moffett. The motion carried unanimously.

After further discussion by the Commission on complaint 2023063931, Commissioner Smith motioned **to accept the Counsel's recommendation.** Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2024002471, Commissioner Smith motioned **to assess a Five Hundred Dollar civil penalty for violation of 1260-02-.12(3)(b) per firm, for a total of One Thousand Five Hundred Dollars (\$1,500.00) and administratively open a complaint against Respondent's principal broker..** and Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2024008391, Commissioner Torbett motioned **to assess a Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Comp. R. & Regs. 1260-02-.12(5)(c), failure to maintain an accurate and up to date listing and issue a Letter of Warning for**

violation of Tenn. Comp. R. & Regs. 1260-02-.08, failure to provide copies of all offers to purchase and all sellers Commissioner Gaughan seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023065781, Commissioner Gaughan motioned **to accept the Counsel's recommendation**, and Commissioner Torbett seconded the motion. The motion was carried unanimously.

After further discussion by the Commission on complaint 2024003731, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2024010111, Commissioner Gaughan motioned **to accept Counsel's recommendation** and Commissioner Tucker seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2024009911, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023004861, Commissioner Smith motioned **to assess a Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Code Ann. § 62-13-403(1) and require Respondent to complete a four (4) hour course in Contracts to be completed within one hundred eighty (180) days above and beyond Respondent's required continuing education requirements**. Commissioner Moffett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023023151 Commissioner Tucker motioned **to accept the Counsel's recommendation** and Commissioner Torbett seconded the motion. The motion carried unanimously.

After further discussion by the Commission on complaint 2023056771, Commissioner Smith motioned **to accept the Counsel's recommendation**, and Commissioner Moffett seconded the motion. The motion carried unanimously.

Kim Cooper

New Complaints:

1. **2023061621**
Opened: 1/2/2024
First Licensed: 12/2/2020
Expires: 3/22/2025
Type of License: Real Estate Firm
History: None

Complainant contracted with Builder (“John Doe Homes”) to build a home in February 2023 with a projected completion date of December 2023. Respondent (“John Doe Real Estate”) is the listing agent for the Builder. Complainant alleges that Respondent accepted funds knowing that Builder did not have approvals from the city to begin construction and has refused to communicate with Complainant regarding termination of their contract. Complainant provided copies of months of text messages between their agent and Respondent asking for updates on construction and a projected timeline for completion. Respondent either did not provide responses or continued to state that building was delayed due to still needing city/county approvals; Complainant then contacted city/county officials who stated they were waiting on Builder to come into compliance with their requests before they could approve final plat or building plans. Complainant alleges fraud and misrepresentation.

Respondent’s attorney (“RA”) responded on the behalf of Respondent. RA alleged that Builder and third-party Developer are responsible for the delays in building Complainant’s home, and that Respondent has no control over progress and can only represent to Complainant information that is provided by Builder and Developer. RA argues that the information has been timely, just “not progressing at a pace that satisfied” Complainant.

Counsel requested additional information from the Complainant regarding communications with their agent specifically about whether a termination of contract

and a return of earnest money had been requested in writing and any response given by Respondent. As of the date of the report, the Complainant has not responded.

Recommendation: Close and flag. If additional information is provided may re-open if appropriate.

Commission Decision: The Commission accepted Counsel's recommendation.

2. **2023064291**
Opened: 1/16/2024
First Licensed: 2/25/2013
Expires: 2/24/2025
Type of License: Real Estate Firm
History: None

Complainant is the child of an elderly Parent who resides in a senior living apartment complex managed by Respondent. Complainant is also a licensee in another state, resides in that state, and has power of attorney ("POA") for Parent due to Parent's dementia. Complainant alleges that Respondent has repeatedly failed to communicate with Complainant regarding Parent's care and finances despite the POA which in turn leads to distress for Parent. Complainant also alleges that during renovations on the building that resulted in power being shut off for the day, Complainant requested alternative accommodations and was denied. Complainant stated that "Requesting alternative accommodations for a sick man to rest and stay warm does not align with the definition of assisted living." Complainant stated they provided copies of the POA to "front desk personnel" on multiple occasions and verbally confirmed with management that they have POA for Parent. Complainant alleges mistreatment and negligence on the part of Respondent.

Respondent clarified that they are a HUD-subsidized property and **not** an assisted living facility. Respondent reviewed Parent's paperwork and stated they did not have a copy of the POA, so any decisions or paperwork would have to be completed by

Parent, not Complainant. Regarding the renovations and power-outage, residents were notified in advance of the dates and “residents were given the option to stay in their apartments, go out with friends or family or elsewhere, or to go with us to an alternative location for the day (with transportation provided)” and that Parent chose to remain in their apartment. Respondent stated that they would include Complainant on all communications moving forward once they have been provided a copy of the POA.

While the situation is unfortunate for Complainant and Parent, there is insufficient evidence of a violation of TREC Rules or the *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel’s recommendation.

3. **2023063931**
Opened: 1/22/2024
First Licensed: 10/3/2016
Expires: 10/2/2024
Type of License: Real Estate Firm
History: None

Complainant alleges that on September 29, 2023, they agreed to purchase property listed by Respondent, and at the direction of Respondent’s affiliate broker paid earnest money in the amount of \$38,000. Complainant alleges that Respondent has yet to produce a Purchase and Sale Agreement and refuses to release the earnest money unless Complainant signs a non-disclosure agreement and waives their right to sue Respondent.

Respondent did not respond to the complaint.

Recommendation: One Thousand Dollar (\$1,000.00) civil penalty for failure to respond in violation of Tenn. Code Ann. § 62-13-313(a)(2).

Commission Decision: The Commission voted to accept Counsel's recommendation.

4. **2024002011**
Opened: 2/5/2024
First Licensed: 6/6/1984
Expires: 1/17/2025
Type of License: Principal Broker
History: None

Complainant was tenant of a home managed by Respondent. Complainant alleges that the Respondent did not respond timely to maintenance requests and when repairs were eventually made, they were never given notice that a repair person would be coming to the property. Eventually Complainant began to have respiratory issues that were serious enough to require hospitalization and believes their health problems were caused by mold in the home. Respondent and the owner of the home decided to release Complainant from their lease early due to the health concerns. Complainant alleges that Respondent then kept the security deposit even though Complainant was not responsible for the repairs that were needed due to the mold and was not notified that they could be present for the final walk-through.

Respondent provided copies of texts and emails between the parties, and they include a text to Complainant informing them of the final walk-through and that they could attend "if they wanted to." The costs for the repairs to the home that were deducted from Complainant's security deposit were unrelated to the mold issue, and Complainant received part of their security deposit back after negotiations between Respondent, the owner of the property, and the Complainant. There does not appear to be a violation of TREC Rules or the *Broker Act*.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

5. **2024001231**
Opened: 2/12/2024
First Licensed: 5/20/2011
Expires: 5/19/2025
Type of License: Real Estate Firm
History: None

Complainant was a buyer of a lot they wanted to build a home on, Respondent represented the seller. Complainant alleges Respondent failed to disclose information regarding a forty-five-foot property line setback for “a main 6-inch pressurized sewer line”. Complainant alleges that they only learned of this information after closing because of a conversation with a neighbor, and that if they had known they would not have purchased that particular lot due to the inability to properly set a septic tank.

Respondent denied a failure to disclose and explained that after they were contracted to list the property, due to prior experiences in their rural county with septic issues, they inspected all deeds of record to confirm there were no records of water lines or easements for this lot. Respondent stated that a permit to place a septic tank was obtained by the Seller which remains valid for three (3) years and follows the land, not the owner, and that information was provided to the Complainant’s agent.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel’s recommendation.

6. **2024003881**

Opened: 2/12/2024

First Licensed: 5/7/1992

Expires: 4/25/2025

Type of License: Real Estate Firm

History: None

Complainant was the resident of a home they allege was managed by Respondent. Complainant stated that the home became uninhabitable due to lack of maintenance by Respondent, specifically faulty and dangerous electric wiring, and no heat during the winter. Complainant provided a copy of an electrical inspection report by the State Fire Marshal which confirmed that the home failed its inspection and that there were numerous safety issues with the property.

The Respondent confirmed that they listed the property as a favor to the elderly owner, but provided a copy of the lease agreement that specifically notes they are not the property managers and any requests for services or repairs would need to be made to the landlord. As this is a landlord/tenant dispute it is outside the jurisdiction of the Commission.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

7. **2024002471**

Opened: 3/4/2024

First Licensed: 10/4/2023

Expires: 10/3/2025

Type of License: Affiliate Broker

History: None

Complainant alleges that Respondent is advertising in a misleading manner. Complainant provided screenshots of two of Respondent's social media sites wherein Respondent advertises their services as "John Smith Real Estate". A review of Respondent's social media presence confirmed that they advertise as "John Smith Real Estate" on several platforms, with no link to or mention of their affiliated firm or contact information.

Respondent's attorney replied on Respondent's behalf and stated that the Respondent has been affiliated with a firm since 2023 but "sells real estate on (their) own." The Respondent did not address Tenn. Comp. R. & Regs. 1260-02-.12(3)(b) which states "All advertising shall be under the direct supervision of the principal broker and shall list the firm name and the firm telephone number as listed on file with the Commission. The firm name must appear in letters the same size or larger than those spelling out the name of a licensee or the name of any team, group, or similar entity."

Recommendation: Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b) which requires all advertising to list the firm name and the firm telephone number as listed on file with the Commission.

Commission Decision: The Commission voted to assess a Five Hundred Dollar civil penalty for violation of 1260-02-.12(3)(b) per firm, for a total of One Thousand Five Hundred Dollars (\$1,500.00) and administratively open a complaint against Respondent's principal broker.

8. **2024005721**

Opened: 3/4/2024

First Licensed: 1/4/2021

Expires: 1/3/2025

Type of License: Affiliate Broker

History: None

Complainant was a buyer and alleges that Respondent was their agent. Complainant alleged that they contacted the Respondent and explained they needed Respondent to “use a meter to qualify property of radiation levels.” Complainant states that Respondent then stopped responding to Complainant and refused to return a “field meter” that Complainant purchased for use by Respondent. Complainant alleges that when they were able to reach Respondent, Respondent was threatening and rude. Complainant asks for the Commission’s help in retrieving the field meter.

Respondent denied wrongdoing, and in particular the allegation that they were ever “threatening” to Complainant. Respondent stated they were contacted by Complainant by phone and asked to help “find some land” but an agency agreement was never executed, partially due to the brief time that Respondent was acquainted with Complainant and never met Complainant in person. Respondent was uncomfortable with Complainant’s request regarding the field meter and told Complainant they were not qualified to operate it, but Complainant purchased a new device and had it shipped to Respondent’s business without Respondent’s permission. Respondent stated they became concerned about Complainant, told Complainant they no longer wanted to help them, and shipped the field meter to Complainant’s home the same day as their last conversation with Complainant. Respondent wishes Complainant well but asks that they leave Respondent alone.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel’s recommendation.

9. **2024005201**

Opened: 3/11/2024

First Licensed: 7/1/2022

Expires: 7/10/2024

Type of License: Affiliate Broker

History: None

Complainant contracted to have a home built by a developer/builder, and Respondent was the listing agent for the builder. Complainant alleged contractual and mortgage issues which fall outside of the authority of the Commission, and which have since been resolved between the parties.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

10. **2024007471**

Opened: 3/11/2024

First Licensed: 1/26/1999

Expires: 4/27/2024

Type of License: Affiliate Broker

History: None

Related to REC-2024010941 (#11).

Complainants were purchasers of home and surrounding acreage; Respondents were the agents for the Sellers. Complainants were represented by their own agent. Complainants allege that they discovered months after closing that a construction project taking place on land adjacent to the property was going to be much larger than disclosed; and that the Tennessee Department of Transportation would be taking over a half-acre of their land through eminent domain. Complainants allege that

Sellers had been notified approximately a year earlier and that Respondents knew and intentionally failed to disclose that information.

Respondents stated that the construction was obvious during the entire time they listed the home and that the plan on record with the county was left on the kitchen counter during showings for any prospective purchaser and was provided to the Complainants. Respondents also stated that the specific eminent domain plan that Complainants are upset about was developed after Complainants made the purchase and the plans for the entry drive to the project was changed. Respondent provided ample documentation of the planning of the project and the timeline for development. Respondents also provided a copy of an “FSBO” listing of the home by Complainants, wherein they stated: “We were well aware of this business being established next door when we purchased the home” and go on to describe steps being taken to mitigate the potential noise and eyesore accompanying such a large project.

While it does appear that the Complainants were unfortunately mistaken about the impact to the property by the business development and TDOT project, there is insufficient proof that the Respondents intentionally mislead or failed to act in good faith to all parties in the transaction.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel’s recommendation.

11. **2024010941**

Opened: 3/11/2024

First Licensed: 6/24/1987

Expires: 9/3/2025

Type of License: Affiliate Broker

History: None

Related to REC-2024007471 (#10). For the reasons previously stated, Counsel recommends dismissal of the complaint.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

12. 2024008391

Opened: 3/11/2024

First Licensed: 9/16/1991

Expires: 11/7/2024

Type of License: Principal Broker

History: None

Complainant is a licensee; Respondent was the selling agent for a home inherited by a group of siblings, one of which was the elderly parent of Complainant. Complainant alleged that Respondent did not provide all parties copies of the purchase and sale agreement or amendments and did not list details of home properly on the MLS. Complainant also alleges that Respondent failed to timely present an offer to owners/sellers.

Respondent did admit to not providing copies of documents to all parties and regrets the error, but states that one sibling “took the lead” and that Respondent was in contact with the owners throughout the process. Respondent alleged that none of the parties objected to the sale or the terms of the offer including Complainant’s parent. Respondent also admitted to making an error on the initial listing but corrected it as soon as it was pointed out by Complainant. Respondent stated they conveyed all offers timely; were able to get an offer above asking price and for more than what the sellers thought they would get, and all parties to the transaction were satisfied with the sale.

Recommendation: Five Hundred Dollar (\$500.00) civil penalty for failing to maintain an accurate and up to date listing in violation of Tenn. Comp. R. & Regs. 1260-02-.12(5)(c) and Five Hundred Dollar (\$500.00) civil penalty for failing to provide copies of all offers to purchase to all sellers in violation of Tenn. Comp. R. & Regs. 1260-02-.08.

Commission Decision: The Commission voted to assess a Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Comp. R. & Regs. 1260-02-.12(5)(c), failure to maintain an accurate and up to date listing and issue a Letter of Warning for violation of Tenn. Comp. R. & Regs. 1260-02-.08, failure to provide copies of all offers to purchase and all sellers.

13. **2024004451**

Opened: 3/25/2024

First Licensed: 11/18/2013

Expires: 11/1/2025

Type of License: Principal Broker

History: 2024 CO for failure to supervise an affiliate due to lapse in affiliate’s E&O insurance

This was an administratively opened complaint. Respondent's affiliate broker and Respondent were issued agreed citations for an advertisement by the affiliate broker on Facebook that did not identify their brokerage or contain their firm contact information. Respondent's affiliate broker has satisfied their citation, but Respondent has not.

Recommendation: Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Comp. R. & Regs. 1260-02-.12(3)(b).

Commission Decision: The Commission accepted Counsel's recommendation.

14. **2024004461**

Opened: 3/25/2024

First Licensed: 1/2/2014

Expires: 11/8/2024

Type of License: Principal Broker

History: 2022 CO for failure to supervise an affiliate due to lapse in affiliate's E&O insurance

Complainant was the purchaser of a home that was to be used as an investment property/short-term rental. Respondent's affiliate broker was previously Complainant's buyer's agent on another investment property and Respondent was the agent for the seller on this property. Complainant alleges that Respondent's affiliate broker presented the home to Complainants as a "goldmine" that could be used to supplement their retirement income. Complainant alleges that Respondent and their affiliate worked together to conceal the true condition of the home and intentionally failed to disclose the extent of repairs needed for the home. Complainant provided numerous pictures of the condition of the home and alleges that renovations done to the home prior to purchase were done without the proper permits, leading to decreased value. Complainant also alleges that Respondent lied about multiple offers on the home in order to pressure Complainants to close, and that the home's value is actually much less than what they paid for it. Complainant has filed a related lawsuit against both Respondent and their affiliate broker.

Respondent's attorney ("RA") responded on the behalf of Respondent and their affiliate broker and denied any wrongdoing. RA stated that the home's value has been substantiated by multiple appraisals and that the home's condition reflected in those appraisals that were done at the time of the sale is vastly different from what Complainant alleges after almost a year of being used as a short-term rental. RA provided what appears to be Respondent's entire file regarding the transaction including attempts to resolve the matter short of litigation. Counsel also noted that Complainants purchased the home without a personal inspection, and that at least a few of the defects in the home noted in their complaint seem to be apparent on the initial home inspection report.

At this time there is insufficient evidence of a violation of TREC Rules or the *Broker Act*, and Counsel recommends that the matter be Closed but Flagged. Should the outcome of the litigation and their discovery process reveal additional information the matter can be re-opened at that time if appropriate.

Recommendation: Close and flag.

Commission Decision: The Commission accepted Counsel's recommendation.

15. **2024005041**
Opened: 4/8/2024
First Licensed: 10/15/2020
Expires: 10/14/2024
Type of License: Affiliate Broker
History: None

This matter is related to **REC-2024004461 (#14)**. For the reasons stated above Counsel recommends close and flag.

Recommendation: Close and flag.

Commission Decision: The Commission accepted Counsel's recommendation.

16. **2024007441**
Opened: 3/25/2024
First Licensed: 2/18/1992
Expires: 4/12/2025
Type of License: Principal Broker
History: None

Complainant/licensee was agent for buyer, Respondent was agent for Seller. Complainant alleges Respondent failed to respond in a timely manner to an offer and failed to act in the best interest of all parties involved in a transaction. Complainant alleges that their clients' offer was a full cash offer \$20,000 above list price and that due to Respondent's failure to timely convey the offer, the Seller accepted a lower price offer.

Respondent denied any wrongdoing. Respondent noted that in the remarks on the MLS Respondent made clear that Seller's instruction was that all offers would be reviewed at the same time, and they reminded Complainant of that instruction when the offer was received. Respondent stated that the Seller reviewed Complainant's offer along with the 27 other offers and Seller made the final choice based on their preferences with closing date and any other contingencies in mind.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

17. **2024007281**
Opened: 3/26/2024
First Licensed: 10/24/2012
Expires: 10/23/2024
Type of License: Real Estate Firm
History: None

Complainant was a buyer, Respondent's affiliate broker ("AB") was their agent. Complainant made an offer on a home on December 16, 2023, and alleged that AB was difficult to reach and then inebriated when they needed to speak with AB about the counteroffer. Complainant alleges that AB was not very helpful after that incident and became more so when they told AB they had listed their own home for sale with another agent. Complainant stated they wanted to be released from their "contract". (Complainant does not specify if they meant their Agency Agreement, the Purchase Agreement, or both.) Complainant contacted Respondent's principal broker ("PB") and alleges that the PB took their agent's side instead of putting their interest first and "cordially (letting them) out of the contracted agreement". Complainant seems to be alleging a lack of reasonable skill and care.

PB stated that AB had worked with the Complainant for almost three years to find a home and that they had a Buyer's Agreement that expired on April 1, 2024. When Complainant contacted PB regarding AB, PB had no proof of any unprofessional conduct or inadequate representation so offered to have another agent represent Complainant or execute a referral agreement to an agent of their choice. Complainant refused both options and one of Complainant's family members then called PB and stated that all AB deserved for their work was "gas money". PB believes the complaint is an attempt to avoid paying AB's commission. Since this seems to be primarily a contractual/commission dispute and there is insufficient evidence of a violation of *Broker Act* or Commission Rules, Counsel recommends dismissal.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

18. **2024011211**
Opened: 3/26/2024
First Licensed: 1/1/1901
Expires: 12/1/2024
Type of License: Real Estate Firm
History: None

Complainant (“Smith Properties”) is a licensed firm; Respondent is also a licensed firm. Complainant alleges that Respondent has been operating under the name “Smith Realty and Smith Management” for several years instead of Respondent’s proper firm name, and that negative Google reviews are being left under Complainant’s firm name instead of Respondent’s firm name. Complainant provided a screenshot of the Respondent’s alleged firm website, and states that Google will not delete the erroneous reviews. Respondent asks the Commission to assist them in having the Respondent remove them.

Respondent stated they assumed management of all “Smith Realty and Management” properties five years ago, and that the real estate license for “Smith Realty and Management” was allowed to expire in 2019. They have no control over the Google reviews and noted that the most recent negative review they could find for the now closed firm was at least five years old. The website that Complainant provided had not been updated in years and is not under the control of Respondent. Respondent also stated that since 2019 all residents of the “Smith Realty and Management” properties have been informed that Respondent now manages those properties, and their leases reflect that change.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel’s recommendation.

19. **2024015461**
 Opened: 3/26/2024
 First Licensed: 1/27/2009
 Expires: 1/26/2025
 Type of License: Real Estate Firm
 History: None

Complainant was a purchaser of a property that was part of a family estate and sold as part of probate proceedings. Respondent's affiliate broker ("AB") was the listing agent for the sale. Complainant provided a copy of the probate court Order that states the decedent's properties are to be sold to satisfy creditors and places conditions upon the sale, specifically that the commission "paid by the Estate" shall total 3%. Complainant alleges that they paid a 6% commission when they purchased the property, and that Respondent violated the court order. Based on a review of the documents provided by the Complainant, the Estate did pay a 3% commission, and the Complainant used their own agent who was paid a 3% commission.

Respondent provided a response denying any wrongdoing; stated that the executor of the estate approved the sale; and that the sale terms were approved by the Court as well. There is insufficient evidence of a violation of the *Broker Act* or Commission Rules.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

20. **2024015511**
Opened: 4/1/2024
First Licensed: 5/31/2022
Expires: 1/1/2025
Type of License: Principal Broker
History: None

Complainant purchased a home two years ago; Respondent was the agent for the builder. Recently Complainant was contacted by a stranger regarding an incident that occurred nearby wherein a child was injured, and Complainant was told that the Respondent provided the stranger with Complainant's phone number. Complainant believes that Respondent only had that information because of the transaction two-years prior and that Respondent improperly divulged confidential information.

Respondent confirmed they provided the number to their adult child, who was the parent of the minor child injured when a dog belonging to a neighbor of Complainant attacked the child. Respondent stated they had Complainant's phone number saved in their phone because Complainant called Respondent's cell phone months after the closing regarding an HOA issue. Respondent assumed at the time that Complainant's own agent had provided their number to Complainant. Complainant spoke with Respondent's adult child, provided video footage of the attack, and neither Respondent nor their adult child have spoken with Complainant since.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

21. **2024005691**
Opened: 4/1/2024
Unlicensed
History: None

Complainant was a tenant in a home managed by Respondent. Complainant alleges that Respondent company is managing approximately sixty homes but is not licensed.

Respondent denied managing sixty properties but stated that they own the properties they do manage and are therefore exempt from licensure pursuant to T.C.A. § 62-13-104(a)(1)(A).

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

22. **2024005811**

Opened: 4/1/2024

First Licensed: 7/27/2007

Expires: 7/26/2025

Type of License: Real Estate Firm

History: 2023 Consent Order for failure to respond to a complaint

Complainant purchased a time-share from Respondent in June 2023, and alleges they were promised that a) the properties allowed pets, and b) Complainant could easily “re-sell” their interest later should they change their mind through an owner’s group on a social media page. Complainant recently contacted Respondent and asked to be released from the contract and was told that there would be a \$1079 fee to do so; Complainant was not happy with that offer, and asks that the Commission assist in obtaining a refund of their purchase price based on alleged violations of T.C.A. § 66-32-132(11) regarding “misleading or deceptive representation with respect to the contents of the time-share program, the purchase contract, the purchaser's rights, privileges, benefits or obligations under the purchase contract or this part.” Complainant provided a copy of their contract, which contains the required notice of cancellation within ten days, and that “no purchaser should rely upon representations other than those included in this agreement.”

Respondent denied making any misrepresentations to Complainant and pointed to the above language in Complainant’s contract. Respondent also noted that the contract explicitly states that a “buy-back” is not guaranteed nor do they facilitate re-sale of the time share interests. Respondent did offer the Complainant the “Graceful Exit” option that does come with a fee, and Complainant chose not to participate.

Based on the information provided, there is insufficient evidence of a violation of the *Broker Act* or Commission Rules.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel’s recommendation.

Aerial Carter

New Complaints:

23. **2023065781**
Opened: 1/22/2024
Unlicensed
History: None

Complainant is a Tennessee real estate group. Respondent is unlicensed in Tennessee but has a valid license in a different state. Complainant alleges Respondent facilitated due diligence and negotiations on behalf of the potential Buyer, the Respondent's client and would receive a referral fee upon closing. The contract was terminated because the Buyer couldn't find an operator for the rehab facility. The Complainant also stated that after the transaction fell through, they noticed a listing for the same property online and asked that it be removed, and the Respondent complied.

Respondent stated that their client had the property under contract, and they had an interest in eventually being able to sell an interest in the property and only intended to sell the entity not the real estate.

Counsel contacted the Respondent for additional information but did not receive a response.

Counsel reviewed the listing attached in the complaint. Although the listing didn't have a price listed, it had information regarding the property including the property type, photographs, bedrooms, and a summary of the property. It is not clear that the Respondent's client was selling an interest in the property.

Based on the information provided, it appears that the Respondent was engaged in unlicensed activity. Counsel recommends a civil penalty of One Thousand Dollars.

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

Commission Decision: The Commission voted to accept Counsel's recommendation.

24. **2024000281**
Opened: 1/22/2024
Unlicensed
History: None

The complaint was referred by a different government agency. The Complainant is a Tennessee resident and a real estate broker and filed on behalf of their client and Owner. Respondent is unlicensed. The complaint states that the Respondent was hired to manage a multi-unit trailer park. The Respondent has been marketing the trailers as rent to own but did not provide any deposits collected to the Complainant's client. Complainant alleges Respondent has been engaged in unlicensed activity, kept the properties in poor condition and failed to provide money to the Owner.

Respondent stated they owned five of the trailers and only collected information, got work done, and paid for maintenance for the Owner and would get paid from deposits. The Respondent stated that it was the Owner's decision to list it as rent to own because they didn't have the money for repairs. The Respondent stated that they paid the Owner and only took money for their work.

Counsel contacted the Respondent to get additional information. The Respondent stated that they are related to the property owner, and they would just call and ask the Respondent to help handle things. They stated that they got contact information

so they could assist with the maintenance, and they would collect rent for the owner, take what was owed, and deposit what was left.

Based on the information provided, the Respondent was acting as a property manager without the proper license.

Based upon all these facts, Counsel recommends this Respondent be assessed a civil penalty of One Thousand Dollars (\$1,000.00) for unlicensed activity.

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

Commission Decision: The Commission accepted Counsel's recommendation.

25. **2023062081**

Opened: 2/5/2024

First Licensed: N/A

Expires: N/A

Type of License: Course Provider

History: None

Complainant is an out of state resident. Respondent is a Course Provider. Complainant stated that in 2011 they attended the Respondent's Real Estate School and obtained the education requirements for taking the Broker Affiliate Exam, but the Respondent did not provide their transcript to them.

The Respondent stated that they keep the records for seven years but when students complete course from the school, they leave with a certificate of completion and TREC verification. The Respondent stated that if they Respondent registered with the PSI system, they would have a record of the student. The Respondent stated that the Complainant reached out to them but did not provide necessary information to locate them.

Based on the information provided, the Complainant did not attempt to take the Affiliate exam. It is also unclear if they attended and completed the course, but they would have to re-take the educational courses as it's been over a decade since attending.

Due to the Respondent having no prior disciplinary action and the assertion that they believed that they were compliant with the record keeping requirement, Counsel recommends this Respondent be issued a letter of instruction to keep a permanent record of all students who attended the course in accordance with Tenn. Comp. R. & Regs. 1260-05-.07.

Recommendation: Letter of Instruction.

Commission Decision: The Commission accepted Counsel's recommendation.

26. **2024002191**

Opened: 2/12/2024

First Licensed: 2/10/1997

Expires: 10/25/2024

Type of License: Principal Broker

History: 2015 Agreed Order for operating an unlicensed branch office

Complainant is a Tennessee resident and licensed real estate professional. Respondent is a Principal Broker. Complainant stated that they worked at one of the Respondent's three firm locations. The Respondent announced around January 2024 that the firm that they were closing location 1 and they believed that they would need to transfer to location 2. The Complainant later learned that location 1 was not closing and alleges Respondent created confusion and undue pressure for the agents. The next day, the Complainant asked the Respondent's assistant to send TREC 1 forms that were "clean, legible documents for legal purposes" because the forms were formatted in a way that made their signature illegible. The complaint had copies of text messages and the TREC 1 forms attached.

The Respondent stated that they were working with a partner to open location 1. Five to six months before the closure of location 1, the partner decided to sell the firm because it was determined that it was no longer a good investment. The Respondent worked with their co-owner to find a new partner, but they were unable to. Around December 2023, they began informing the affiliates of location 1 that they would be shutting down. The Respondent stated that the Complainant started holding themselves out as the broker of location 1. The Respondent attached copies of emails and TREC 1 forms.

It was unclear to Counsel what the specific complaint was, but Counsel reviewed all the attached documents. The firm was closed in March and most affiliates were released in January and February 2024. Counsel finds Complainant's allegations related to the Respondent's misrepresentation about the closing of the firm to be unfounded.

Based upon all these facts, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

27. **2024003261**
Opened: 2/26/2024
First Licensed: 12/28/2017
Expires: 12/27/2025
Type of License: Affiliate Broker
History: None

Complainant is a Tennessee resident. Respondent is an Affiliate Broker. Complainant stated that they entered an Exclusive Buyer's Representation Agreement ("Agreement") with the Respondent. The Agreement was entered around September 2022 and set to expire at the end of March 2023 with a 30-day grace period. Around January 2023, they told the Respondent that they didn't want to extend the contract past March 31, 2023. The week of January 25th, they put in an offer on a house, but the construction wouldn't be completed for 60 days. The Respondent sent them a new Agreement to extend the expiration to January 2024. The Complainant stated that they felt pressured by the Respondent to sign or risk not having the offer submitted.

Respondent's Attorney submitted a response on their behalf. The Respondent denied all allegations of wrongdoing. The Respondent stated that the Complainant expressed an interest in a new build home. They put the offer in on the property but there was not a definite ending for the build date, and they feared that they would not be paid a commission if the closing occurred after the Agreement ended. The Respondent sent the Complainant and their significant other/ co-owner another Agreement to extend the time on the contract. The Complainant refused to sign but their significant other did. The Respondent stated that they needed both signatures and explained via text the reason for the extension, but when it became clear that the Complainant didn't want to sign, the Respondent drafted a mutual release agreement. However, the closing happened before the Agreement expired. The response had various documents attached including the offer and text messages.

Based on the information provided, the Respondent was attempting to ensure that they had protections to guarantee a commission for a house closing. Counsel believes that the extension could have been extended 90 days, when they believed the closing would occur, instead of extending it an additional 11 months. However, Counsel finds Complainant's allegations related unethical behavior to be unfounded.

Based upon all these facts, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

28. **2024003731**
Opened: 2/26/2024
First Licensed: 10/15/2021
Expires: 10/14/2025
Type of License: Affiliate Broker
History: None

Complainant is an out of state resident and was the prospective Buyer in a real estate transaction. Respondent is an Affiliate Broker and was the owner and Seller in a real estate transaction. The complaint stated that they were engaged in negotiations with the Respondent for the purchase of their property. In one of the last interactions, the Complainant offered to pay \$2,500 over the next best offer up to \$1,532,000 with proof of the next best offer. The Respondent countered at \$1,500,000 and declined the portion of the offer to provide proof of the previous offer. Prior to the Complainant submitting a new counteroffer or accepting the Respondent's counteroffer, the Respondent informed them via their agent that they went with a different offer. The Complainant alleged that the Respondent didn't provide enough time to respond to their counteroffer.

Respondent stated that they were accepting multiple offers and they were unwilling to provide information for a third party to the Complainant. They also stated that they accepted the other offer because it was timelier, and they felt it was the best option for them.

Based on the information provided, the Respondent disclosed their status as an agent in a personal sale of their property. Additionally, there was no binding agreement between the parties and the Complainant was aware that the Respondent was accepting multiple offers and they were not required to accept the Complainant's offer.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission voted to accept Counsel's recommendation.

29. **2024006701**
Opened: 3/4/2024

Unlicensed

History: None

Complainant is a Tennessee resident and a licensed real estate professional. Respondent is unlicensed. The Complainant alleges Respondent engaged in unlicensed activity when their client received a phone call from the Respondent stating that they may have someone interested in buying the property listed by the Complainant. During the call, they asked the Respondent if they were licensed and

was told that they took the classes but never took the test. The complaint had a screenshot of the Respondent's number.

Respondent stated that they called on behalf of a friend who speaks little to no English. The purpose of the call was to see if the property was still for sale but at no point did, they hold themselves out as an agent. They also stated that they didn't receive any money from their friend.

Counsel attempted to find the Respondent via social media and found no one with the Respondent's name attempting to advertise as a real estate professional. Additionally, nothing in the complaint suggested that the Respondent was representing the potential buyer. Based on the information provided, there is not enough to support an allegation of unlicensed activity.

Based upon all these facts, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

30. **2024002601**
Opened: 3/4/2024

Unlicensed

History: None

The Complainant put the Respondent's information as both the Complainant and the Respondent. Respondent is unlicensed. Complainant alleges Respondent engaged in unlicensed activity by paying the builder out of the firm's commission split.

Respondent stated they did not initiate this complaint and the complaint is baseless.

Since the Complainant did not provide their information, Counsel could not get additional information. The complaint did not provide any documents.

Based on the information provided, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

31. **2024008621**

Opened: 3/4/2024

First Licensed: 10/28/2021

Expires: 10/27/2025

Type of License: Real Estate Firm

History: None

This complaint was administratively opened after being referred from a different agency.

The Complainant is a Tennessee resident. Respondent is a Real Estate Firm. The Complainant stated that they went into the leasing office to give their notice and found out that files were removed, and documents were added to files. They claim that the Respondent breached their privacy. The complaint did not state what the private documents were, or which specific files were removed or added.

Respondent stated that they used to manage the community that the Complainant lived at. However, they stated they were unable to provide a comprehensive response as the complaint did not have enough information. They stated that they contacted the Complainant to ask about the document that was believed to be personal, but the Complainant was unable to describe the document or remember the title. The Respondent stated that they also talked with the previous community property manager who stated they did not recall requesting or getting the Complainant's private information.

Based upon all these facts, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

32. **2024003701**
Opened: 3/11/2024
First Licensed: 12/2/2010
Expires: 12/1/2024
Type of License: Principal Broker
History: None

Complainant is a Tennessee resident and real estate professional. Respondent is a Principal Broker. Complainant stated that they received a text message from their Affiliate Broker about the Respondent. The Affiliate Broker stated that the Respondent signed a cooperating compensation agreement and after closing, the Respondent got upset because the commission wasn't split evenly.

The Respondent's Attorney submitted a response on their behalf. The Respondent stated that they believed that they would be receiving an even split, but when they discovered the uneven split, they asked the Affiliate Broker to explain.

Tenn. Comp. R. & Regs. 1260-02-.02(8) states that the Commission will not intervene in the settlement of debts, loans, draws, or commission disputes between firms, brokers and/or affiliates. Here, this is clearly a commission dispute.

Based upon all these facts, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

33. **2024011191**
Opened: 3/11/2024
First Licensed: 10/3/2019
Expires: 8/27/2024
Type of License: Real Estate Broker
History: 2021 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance; 2022 Consent Order for failure to supervise an affiliate due to lapse in affiliate's E&O insurance

Complainant is anonymous. Respondent is a Real Estate Broker. Complainant alleges Respondent engaged in multiple advertising violations by providing a different location for the office, did not link affiliation with related firm on their website. There was also an allegation that the Respondent was misleading about the years of experience they had.

Respondent stated they do not engage in real estate activities in a different location and the office mentioned in the complaint is for personal use and is not used in their advertisements. The Respondent stated that all the advertisements are in compliance and believes that the complaint is fake.

Counsel reviewed the social media of the Respondent and the website listed in the complaint. Counsel found that the Respondent is the owner of one location and has an affiliation with a firm with the same address. Both firms are listed on the website and appears to comply with the advertising rules. For the allegation regarding experience, it appears that the Respondent refers to the experience of all agents within the firm.

Counsel finds Complainant's allegations related advertising violations to be unfounded. Therefore, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

34. **2024006561**
Opened: 3/11/2024
First Licensed: 4/17/2001
Expires: 8/31/2024
Type of License: Real Estate Firm

History: None

Complainant states they are a Tennessee rental company. Respondent is a Real Estate Firm. Complainant stated that the Respondent managed their property. The Complainant instructed the Respondent to not renew any leases without their permission. The Respondent acknowledged this but then renewed a tenant a year term without their permission.

The Respondent's Attorney submitted a response on their behalf. The Respondent stated that they acted consistently with the Respondent's request by offering the lease and informing the Complainant of the renewal prior to its execution. The Respondent stated the emails between the parties clearly demonstrate that the Respondent made every effort to communicate with the Complainant apprised of the negotiations and execution of the renewal. The response had the emails attached.

Under Tenn. Code Ann. § 62-13-104(a)(1)(E), the Commission does not have authority over a resident manager for a broker or an owner, or employee of a broker, who manages an apartment building, duplex, or residential complex where the person's duties are limited to supervision, exhibition of residential units, leasing or collection of security deposits and rentals from the property. The resident manager or employee shall not negotiate the amounts of security deposits or rentals and shall not negotiate any leases on behalf of the broker.

Here, the Respondent is licensed, and their duties include leases from the property. Based upon all these facts, Counsel recommends this matter be dismissed due to the lack of authority over this matter.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

35. 2024006891
Opened: 3/11/2024
First Licensed: 5/11/2017
Expires: 5/10/2025
Type of License: Real Estate Firm
History: None

Complainant is an out of state resident. Respondent is a Real Estate Firm. Complainant stated that the Respondent took over management of the house they were living in. The Complainant turned in their notice to vacate on October 3rd due to personal issues. They got a message back from the Respondent detailing the terms for breaking their lease. They went by the house on October 23rd and when they got there, they found that the house was completely empty, the locks had been changed and there was a realtor's lockbox on the doorknob.

Respondent stated the new owner worked with them and advised that the home was vacant. The Respondent performed a move out inspection on October 2nd and notified the owner the home still had belongings in it. The owner took over the move out/renovation process and disposed and/or moved items out of the home. Once they were contacted by the Complainant, they notified the owner immediately that the home was indeed not vacant. Their attorney advised the Complainant to speak to their owner's attorney.

Under Tenn. Code Ann. § 62-13-104(a)(1)(E), the Commission does not have authority over a resident manager for a broker or an owner, or employee of a broker, who manages an apartment building, duplex, or residential complex where the person's duties are limited to supervision, exhibition of residential units, leasing or collection of security deposits and rentals from the property. The resident manager or employee shall not negotiate the amounts of security deposits or rentals and shall not negotiate any leases on behalf of the broker.

Here, the Respondent is a licensed firm that managed a rental property. Additionally, the main issue appears to be an eviction matter or a landlord/tenant dispute. Based on the information provided, the Commission does not have authority over this matter.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

36. **2024008831**

Opened: 3/25/2024

First Licensed: 7/23/2023

Expires: 9/26/2025

Type of License: Affiliate Broker

History: None

Complaint numbers REC-2024008831 (#36), REC-2024008901 (#37), REC-2024009071 (#38), and REC-2024008781 (#46), are related and all allegations stem from the same events.

Complainant is an out of state resident and property owner. Respondent is an Affiliate Broker. The complaint states that the Respondent managed the Complainant's property from 2009 to 2016. Complainant alleges Respondent breached their contract by failing to properly maintain the rental property and charging them for work that was not completed. The Complainant stated that they

had renovations completed and resigned a contract with the Respondent January 2018.

Respondent stated that they managed the property. They stated that the Complainant hired a contractor to perform work at the property and the Respondent was not involved in that arrangement. The stated that the Respondent did not receive compensation for any renovation services. The Respondent stated that there is a tenant that has occupied the property since May 2018, and they have conducted routine inspections per the management agreement requirements.

Under Tenn. Code Ann. § 62-13-104(a)(1)(E), the Commission does not have authority over a resident manager for a broker or an owner, or employee of a broker, who manages an apartment building, duplex, or residential complex where the person's duties are limited to supervision, exhibition of residential units, leasing or collection of security deposits and rentals from the property. The resident manager or employee shall not negotiate the amounts of security deposits or rentals and shall not negotiate any leases on behalf of the broker.

Here, the Respondent was an Affiliate Broker working under a Broker and a licensed Real Estate Firm, meeting the exemption requirements under Tenn. Code Ann. § 62-13-104(a)(1)(E). Therefore, the Commission does not have authority over this matter. Additionally, the complaint was filed past the statute of limitations. Based on the information provided, Counsel recommends that this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

37. **2024008901**
Opened: 3/25/2024
First Licensed: 2/4/2005
Expires: 5/31/2025
Type of License: Principal Broker
History: None

Complaint numbers REC-2024008831 (#36), REC-2024008901 (#37), REC-2024009071 (#38), and REC-2024008781 (#46), are related and all allegations stem from the same events.

Complainant is an out of state resident and property owner. Respondent is a Principal Broker. The complaint states that the Respondent managed the Complainant's property from 2009 to 2016. Complainant alleges Respondent was negligent in their duties by failing to properly maintain the rental property and hiding damage done to the property. The Complainant also stated that they had renovations completed. The Complainant stated that they had renovations completed and resigned a contract with the Respondent January 2018.

Respondent denied any wrongdoing and stated that their property manager properly managed the property. They stated that the Complainant hired a contractor to perform work at the property and the Respondent was not involved in that arrangement.

Under Tenn. Code Ann. § 62-13-104(a)(1)(E), the Commission does not have authority over a resident manager for a broker or an owner, or employee of a broker, who manages an apartment building, duplex, or residential complex where the person's duties are limited to supervision, exhibition of residential units, leasing or

collection of security deposits and rentals from the property. The resident manager or employee shall not negotiate the amounts of security deposits or rentals and shall not negotiate any leases on behalf of the broker.

Here, the Respondent is a Broker and worked under a licensed Real Estate Firm, meeting the exemption requirements under Tenn. Code Ann. § 62-13-104(a)(1)(E). Therefore, the Commission does not have authority over this matter. Additionally, the complaint was filed past the statute of limitations. Based on the information provided, Counsel recommends that this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

38. **2024009071**

Opened: 3/25/2024

First Licensed: 10/31/2003

Expires: 10/1/2025

Type of License: Real Estate Broker

History: None

Complaint numbers REC-2024008831 (#36), REC-2024008901 (#37), REC-2024009071 (#38), and REC-2024008781 (#46), are related and all allegations stem from the same events.

Complainant is an out of state resident and property owner. Respondent is a Real Estate Broker. Complainant alleges Respondent was negligent in their duties by failing to properly maintain the rental property and hiding damage done to the property. The Complainant also stated that they had renovations completed.

Respondent denied any wrongdoing and stated that their property manager properly managed the property. The property manager had retired, and they stated that they do not have any knowledge of the property before January 31, 2024. They stated that they did an inspection of the property and informed the Complainant of a leak found and provided an estimate. Later, the Complainant hired a contractor to perform work at the property and the Respondent was not involved in that arrangement.

Under Tenn. Code Ann. § 62-13-104(a)(1)(E), the Commission does not have authority over a resident manager for a broker or an owner, or employee of a broker, who manages an apartment building, duplex, or residential complex where the person's duties are limited to supervision, exhibition of residential units, leasing or collection of security deposits and rentals from the property. The resident manager or employee shall not negotiate the amounts of security deposits or rentals and shall not negotiate any leases on behalf of the broker.

Here, the Respondent is a Broker and worked under a licensed Real Estate firm, meeting the exemption requirements under Tenn. Code Ann. § 62-13-104(a)(1)(E). Therefore, the Commission does not have authority over this matter. Additionally, the complaint was filed past the statute of limitations. Based on the information provided, Counsel recommends that this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

39. 2024010111

Opened: 3/25/2024

First Licensed: 3/5/2019

Expires: 3/4/2025

Type of License: Affiliate Broker

History: None

Complainant is anonymous. Respondent is an Affiliate Broker. The Complainant alleges that the Respondent has committed multiple violations. The first, is that the Respondent posted misleading advertisements by stating that they had “millions under contract, thousands of buyers for listings.” The second is that the Respondent is not complying with the one click rule on their social media posts. Third, the Respondent set up showings and videoed other agents’ listings without seller approval. The Complainant attached screenshots of the Respondent’s social media posts.

Respondent submitted a response denying all claims. The Respondent stated that they have over one thousand people who have downloaded their seller’s guide. The Respondent also stated that they closed deals totaling in \$9.3 million within 90 days of the complaint and their following on social media received over 1 million views. For the second allegation, the Respondent stated that at the time of the complaint, they were not compliant with the one click rule but they have since fixed the issue. The Respondent stated that when they schedule a time to video homes and post on social media, they comply by receiving permission in writing via text or email. The Respondent attached screenshots of their social media posts and views.

Counsel reviewed the documents attached by both parties. Counsel finds Complainant's allegations related to misleading advertisements and posting listings without permission to be unfounded. However, Counsel finds the Respondent for failed to provide a firm phone number or name, in violation of Tenn. Comp. R. & Regs. 1260-02-.12.

Based upon all these facts and the Respondent's admission, Counsel recommends Respondent be assessed a civil penalty of Two Hundred and Fifty Dollars (\$250.00).

Recommendation: Respondent assessed a civil penalty of Two Hundred Fifty Dollars (\$250.00) for violation of Tenn. Comp. R. & Regs. 1260-02-.12.

Commission Decision: The Commission accepted Counsel's recommendation.

40. **2024010601**

Opened: 3/25/2024

First Licensed: 6/7/2006

Expires: 6/6/2024

Type of License: Affiliate Broker

History: None

The Complainant is a Tennessee resident. Respondent is an Affiliate Broker. The Complainant alleges Respondent failed to properly fix mold on the drywall and was difficult to work with. The Complainant also stated that they believe that the Respondent knew that their client was mentally incapacitated and did not disclose it.

Respondent stated that the parties agreed to provide the Complainant with a gift card for the repair since the contractor was not able to complete the work within the time frame provided. The Respondent stated that they live in a remote area but has returned all call and correspondences and denied mishandling any communications. For their client's mental state, the Respondent stated that they do not have the expertise to determine mental capacity, but they did not notice any issues with the Seller's ability to understand any part of transaction.

Based on the information provided, there is not enough to suggest that the Respondent violated any rules or statutes. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

41. **2024011511**
Opened: 3/26/2024
First Licensed: 6/1/2022
Expires: 5/31/2024
Type of License: Affiliate Broker
History: None

The Complainant is a Tennessee resident. Respondent is an Affiliate Broker. The Complainant alleges that the Respondent engaged in mortgage fraud by applying for an FHA loan with no intention of occupying the property and using it as a rental.

The Respondent's Attorney submitted a response on their behalf. The Respondent stated that the complaint lacks merit and should be dismissed as the Commission does not have authority over this matter.

Based on the information provided, the Complainant and Respondent had no professional relationship. The Complainant is a neighbor who believes the rental is a nuisance. The Complainant would not know the terms of the Respondent's agreement. The Commission would have authority if the Respondent were convicted of fraud. However, there is nothing in the complaint that would indicate that a court case is imminent. If the Respondent were convicted, they would be required to report it to the Commission.

Based upon all these facts, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

42. **2024011551**
Opened: 3/26/2024
First Licensed: 11/19/2020
Expires: 11/18/2024
Type of License: Affiliate Broker
History: None

The Complainant is a Tennessee resident. Respondent is an Affiliate Broker. The Complainant alleges that the Respondent disparaged a "disabled youth," violating ethical obligations. Screenshots of the social media post were attached.

Respondent apologized if their comment was misconstrued. They stated that the post was regarding an incident involving a local burger chain and their refusal to seat a youth wheelchair basketball team and their parents. The comment made was never meant to cause pain or hurt towards anyone who has been affected by any disability and it was meant in solidarity with the kids and their parents who were refused service because the restaurant believed they didn't have room for the wheelchairs.

Counsel reviewed the social media post. The complaint involved a dispute that posted by an individual that believed that they were discriminated against by a restaurant who told a young child they didn't have enough space for their wheelchair. The Respondent made a comment on the post, but it appeared that the comment was condemning the alleged discrimination.

Based on the information provided, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

43. **2024011641**
Opened: 3/26/2024
First Licensed: 6/17/1983
Expires: 2/19/2025
Type of License: Real Estate Broker
History: None

Complainant is a Tennessee resident and Real Estate Appraiser. Respondent is a Real Estate Broker. The Complainant alleges Respondent cancelled an appraisal assignment and attempted to coerce the Complainant. The complaint had screenshots of the text conversation attached.

Respondent stated that they received a text from the Complainant asking for access information for the property to be appraised. The Respondent provided it to them. The Respondent became aware of the Complainant contacting the Buyer (the Respondent client) directly. The Complainant told them that they got the Buyer's contact information from the loan officer. The Respondent denied coercing the Complainant or cancelling the appraisal.

Counsel reviewed the screenshots. It appears that the Respondent questioned if it was the Complainant's standard practice to contact the Buyer directly and stated that they wanted to be present at the appraisal. There was nothing to suggest that the Respondent attempted to coerce the Complainant to do anything.

Based on the information provided, there was no violation of the rules or statutes. Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

44. **2024011951**
Opened: 3/26/2024
First Licensed: 10/22/2019
Expires: 10/21/2025
Type of License: Affiliate Broker
History: None

The Complainant is a Tennessee resident and was a prospective Buyer. Respondent is an Affiliate Broker and was the Buyer's agent. The Complainant alleges Respondent rarely sent them any listings and when they did it was not in the desired location or within their price range. After ten (10) months, the Complainant decided to purchase a property with a different address. The complaint also stated that the

Respondent was their landlord and when they moved out, the Respondent took their security deposit and believes that they allowed someone to steal their personal property in retaliation.

Respondent stated they had worked with the Complainant from early 2022 to Nov. 2023 and provided properties in the desired location. They assisted in putting two offers on different properties and the second property is currently where the Complainant lives.

The parties did not have an exclusive representation agreement and the Respondent was assisting the Complainant due to a personal relationship. The Respondent stated that the security deposit was kept because proper notice was not provided. They denied stealing any of the Complainant's personal property and stated that only the property owners had keys.

Based on the information provided, the Respondent is likely a property manager, not the Complainant's landlord and the Commission does not have authority over this matter. Additionally, there was nothing to suggest that the Respondent violated their duty to the complainant when they worked to find a property during the 10 months working together.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

45. **2024012171**
Opened: 3/26/2024

First Licensed: 12/9/2004
Expires: 8/24/2025
Type of License: Affiliate Broker
History: None

The Complainant is a Tennessee resident and prospective homebuyer. Respondent is an Affiliate Broker and represented the Complainant. Complainant alleges Respondent failed to return the earnest money after the transaction fell through and took advantage of the Complainant's limited understanding of English.

Respondent's Broker submitted a response on their behalf. The Respondent stated that the parties tried to have a pest inspection scheduled but the availability was after the closing. An extension and repair proposal were prepared but the Complainant refused to sign. After the inspection period ended, they were advised that the Complainant was no longer interested in the property. The Respondent then prepared a mutual release, but the Sellers refused to sign. The Respondent advised their client that the Seller was exercising their right and it was unlikely that the earnest money would be returned.

Both parties attached a copy of the purchase agreement, amendment for an extension, and various screenshots. Based on the information provided, Counsel finds Complainant's allegations related to the Respondent's failure to return earnest money to be unfounded.

Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

46. **2024008781**
Opened: 3/26/2024
First Licensed: 7/23/2020
Expires: 7/22/2024
Type of License: Real Estate Firm
History: None

Complaint numbers REC-2024008831 (#36), REC-2024008901 (#37), REC-2024009071 (#38), and REC-2024008781 (#46), are related and all allegations stem from the same events.

Complainant is an out of state resident and property owner. Respondent is a Real Estate Firm. The complaint states that the Respondent's property manager managed the Complainant's property from 2009 to 2016. The company was acquired by the Respondent's company and after renovations from prior damage was completed, they resigned a contract with the Respondent January 2018. Complainant alleges Respondent was negligent in their duties by failing to properly maintain the rental property and hiding damage done to the property. Complainant also alleged that the tenant asked the Respondent twice to purchase the property.

Respondent stated that they are not aware of what happened in 2018 with the old property management. They mentioned an inspection that occurred in February 2024. However, the allegations for the complaint only pertain to the issues from 2018. The Respondent stated that they did not attempt to dismantle or destroy the Complainant's property to devalue the property. They also stated that they do not purchase or own any real estate and didn't try purchase the property.

Under Tenn. Code Ann. § 62-13-104(a)(1)(E), the Commission does not have authority over a resident manager for a broker or an owner, or employee of a broker, who manages an apartment building, duplex, or residential complex where the person's duties are limited to supervision, exhibition of residential units, leasing or collection of security deposits and rentals from the property. The resident manager

or employee shall not negotiate the amounts of security deposits or rentals and shall not negotiate any leases on behalf of the broker.

Here, the Respondent is a licensed Real Estate Firm that took over for a different property management company, meeting the exemption requirements under Tenn. Code Ann. § 62-13-104(a)(1)(E). Therefore, the Commission does not have authority over this matter. Additionally, the complaint was filed past the statute of limitations. Based on the information provided, Counsel recommends that this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

47. **2024009911**
Opened: 4/1/2024
First Licensed: 4/24/2017
Expires: 2/16/2023 (Expired)
Type of License: Affiliate Broker
History: None

The Complainant is anonymous. Respondent is unlicensed but was an Affiliate Broker. Complainant alleges Respondent is engaged in unlicensed activity by advertising as a realtor without the proper credentials. The complaint had screenshots of the Respondent's social media posts and the search results of the Respondent's license, showing it was expired.

Respondent did not submit a response. A request for a response was sent via certified mail and signed.

Counsel reviewed the Respondent's profile on CORE and confirmed that they are unlicensed and have not been licensed for over a year. Counsel also reviewed the Respondent's posts on social media and their website. The Respondent is promoting themselves as an auctioneer and realtor. Counsel found that the Respondent has a valid auctioneer's license. However, while having an expired Affiliate Broker license, the Respondent has made multiple posts on different days clearly claiming to be a licensed realtor. Counsel found five (5) social media posts from March 12, 2024; March 10, 2024; February 4, 2024, January 17, 2024; and January 7, 2024, advertising as a realtor. Additionally, Counsel reviewed the Respondent's website, where there is one (1) instance of advertising as a realtor, stating they are a "realtor and an apprentice auctioneer since 2017." The Respondent works at a firm.

Based on the information provided, Counsel finds that the Respondent has engaged in unlicensed activity, in violation of Tenn. Code Ann. § 62-13-301. Counsel recommends this Respondent be assessed a civil penalty of One Thousand Dollars (\$1,000.00) for each social media claiming to be a realtor and the post on the Respondent's webpage discussing their experience as a realtor.

Counsel also recommends that an administrative complaint be opened against the principal broker of the firm for potential violations of Tenn. Code Ann. § 62-13-302 for employing a person who is not a licensed broker or a licensed affiliate broker for performing as a real estate broker, and/or Tenn. Comp. R. & Regs. 1260-01-.04 for permitting an unlicensed individual under the principal broker's supervision to engage in the real estate business.

Recommendation: Respondent be assessed a total Civil Penalty of Six Thousand Dollars (\$6,000.00) for each advertisement in violation of Tenn. Code Ann. § 62-13-301. (One Thousand Dollars (\$1,000.00) per post from the Respondent). Counsel also recommends that an administrative complaint be opened against the principal broker of the firm.

Commission Decision: The Commission voted to accept Counsel's recommendation.

48. **2024013391**
Opened: 4/1/2024
First Licensed: 2/8/2008
Expires: 10/6/2025
Type of License: Principal Broker
History: 2016 Consent Order for Misleading Advertising

Complainant is a Tennessee resident who was a tenant. Respondent is a Principal Broker who worked as the property manager. Complainant alleges Respondent is in violation of the *Tennessee Landlord Tenant Act* in regard to how they handled the Complainant's move out process and the return of their security deposit.

Respondent stated that the property had extensive damage and did not match the pictures from the start of the lease term. They also stated that the Complainant did not try to meet them for the final property inspection, but the security deposit was mailed to them thirty (30) days after moving out.

Based on the information provided, the Commission does not have authority over a resident manager for a broker who manages an apartment building, duplex, or residential complex where the person's duties are limited to supervision, exhibition of residential units, leasing or collection of security deposits and rentals from the property.

Here, the Respondent is a licensed Real Estate Broker who managed the property, meeting the exemption requirements under Tenn. Code Ann. § 62-13-104(a)(1)(E). Therefore, the Commission does not have authority over this matter. Based on the information provided, Counsel recommends that this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

49. **2024013401**
Opened: 4/1/2024
First Licensed: 9/29/2021
Expires: 9/28/2025
Type of License: Affiliate Broker
History: None

The Complainant is a Tennessee resident and a Buyer in a real estate transaction. Respondent is an Affiliate Broker and was the Buyer's agent in the real estate transaction. Complainant alleges Respondent failed to address plumbing issues at the property, did not attend the home inspection, and coerced them into going forward with the transaction, although they no longer wanted to close on the property.

Respondent and their Principal Broker ("Broker") submitted responses. The Respondent stated to their knowledge, there were no issues, and the Complainant was happy at closing. The parties entered into an Exclusive Buyer's Representation Agreement ("Representation Agreement") and later a Purchase and Sales Agreement ("Sales Agreement"). After the inspection, they went over the options with the Complainant to have the water turned on and pay for the inspector to go back out; have the water turned on and have a plumber go out to inspect the property; or accept the home "as is"; or terminate the contract. The Respondent stated that according to the Sales Agreement, the Complainant agreed to a 10-day inspection period and the seller agreed to Foundation and HVAC repair in the Amendment. At the time of the Amendment, there was no mention of plumbing issues. They also stated that at no point did they attempt to coerce the Complainant to close on the property, they only advised that the Complaint could lose their earnest money if they wanted to terminate the contract after the inspection period.

The Respondent's Broker stated that the Respondent reached out to them regarding the plumbing issue after closing, when the Respondent became aware of the issue. They stated that they tried to work with the Complainant to brainstorm ways to resolve the issue but advised the Respondent to stop interacting after the Complainant attacked them on social media. The Respondent attached a letter from the home inspector, inspection report, multiple documents, and screenshots of text messages.

Counsel reviewed the documents attached and the Sales Agreement has multiple provisions advising about being an informed buyer. Additionally, the Amendment to the Sales Agreement has repairs to be made and it appears that the Complainant had the opportunity to ask for that in the repairs if they believed it, was an issue. This was not done, and the parties continued to sign multiple documents without any mention of issues with the plumbing.

Based upon all these facts, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission voted to assess a Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Code Ann. § 62-13-403(1) and require Respondent to complete a four (4) hour course in Contracts to be completed within one hundred eighty (180) days above and beyond Respondent's required continuing education requirements.

50. **2024013461**
Opened: 4/1/2024
First Licensed: 4/6/2018
Expires: 4/5/2026
Type of License: Affiliate Broker
History: None

Complainant is a Tennessee and Buyer in a real estate transaction. Respondent is an Affiliate Broker and was the Listing Agent. Complainant alleges that after closing, they discovered that the driveway was on their neighbor's property. They stated that neither their closing attorney nor title company noticed the issue, so they had to get an additional survey and discovered that the land is too steep for an additional driveway and the neighbor refuses to do a shared driveway.

Respondent stated that they believe that this complaint should be directed at the title company and not them. They stated that they had nothing to do with the Buyer's title search and they were unaware of any issues with the boundary until they received the complaint.

Based on the information provided, there is not enough to show that the Respondent knew or should have known that there was an issue with the driveway access. Based on the Complainant's admission, when a title search was run, it showed no issue and that it was fine to proceed with closing on the property.

Based upon all these facts, Counsel recommends this matter be dismissed.

Recommendation: Dismiss.

Commission Decision: The Commission accepted Counsel's recommendation.

CASES TO BE REPRESENTED

51. **2023023151**
Opened: 5/22/2023

First Licensed: 1/31/2006

Expires: 1/30/2026

Type of License: Affiliate Broker

History: None

Complainant is a seller in a real estate transaction. Respondent is a licensed affiliate broker. Complainant alleges Respondent pressured them into accepting a “low ball” offer. Complainant only accepted the offer because they were told there were no more potential buyers for the property. After accepting the offer, Seller’s agent informed Complainant there was another potential buyer who was offering an “all-cash offer” and had a buyer scheduled to see the property the following day. Complainant believes that Respondent was not looking out for their best interest during this real estate transaction. Complainant included no documentation for the alleged persistence of Respondent, so Counsel requested additional information.

Respondent stated when Complainant asked if there were any additional offers, they did not see any additional buyers scheduled to view the property. After being made aware that the Buyer’s agent had a tour scheduled for the property, acknowledged that they forgot about the viewing. Respondent attached copies of text messages between them and the Complainant where Respondent apologized for missing the scheduled tour and continued conversations until the day after closing. Complainant completed the real estate transaction with Respondent as their agent and did not express an issue with their representation until after closing.

Based on the information provided, Complainant had plenty of time to reject an offer and Counsel did not find any evidence of Respondent pressuring Complainant to accept any offer. However, Counsel finds Respondent did not do their due diligence when reviewing the showing schedule.

Based upon all these facts, Counsel recommends Respondent be assessed a civil penalty of Five Hundred Dollars (\$500) for failing to do their due diligence when they failed to notice a showing scheduled.

Recommendation: Civil penalty, Five Hundred Dollars (\$500).

Commission Decision: The Commission voted to accept counsel's recommendation.

New Information: The Respondent's Attorney reached out on the Respondent's behalf to Counsel after receiving the Consent Order. The Respondent claims that the Complainant was in a hurry to sell and only learned of the "all cash offer" after they had already verbally accepted an offer the day before. The Respondent contends that the contact by the other agent was improper since the contact was made although the Seller was represented by the Respondent. The Respondent advised the Seller that since they were not under contract, they could wait for an offer from the potential buyer, but the Complainant declined that option and accepted the offer with no contingencies. The Respondent stated that the showing for the potential buyer was never confirmed by the agent and the Respondent had shown the property earlier that day to another person. The accepted offer happened later in the day. The Respondent stated that they believe they did their due diligence in this matter. The Respondent attached a statement of their position on this matter including exhibits such as an affidavit from the Respondent, their Principal Broker and text messages between the parties.

Based on the information provided, the potential buyer was providing an additional offer, but the showing was not confirmed until later that day. Additionally, the Respondent was still showing the property and the Complainant was made aware of the options after becoming aware of the potential offer. Counsel would amend their recommendation to have this matter dismissed.

New Recommendation: Dismiss

New Commission Decision: The Commission voted to accept Counsel's recommendation.

52. **2023056771**

Opened: 12/4/2023

First Licensed: 12/1/2016

Expires: 11/30/2024

Type of License: Real Estate Firm

History: None

Complainant is a licensed real estate professional and represented the prospective buyer in a real estate transaction. Respondent is a Real Estate Firm and was the listing agency for the property. Complainant stated their client was told they needed to talk directly to the seller (Property Company) and assumed the seller was the same individual. The Complainant found out that Property Company only had an assignable contract for the property and was not the legal owner. Complainant alleges Respondent failed to disclose that the Property Company did not have valid ownership and should be engaged in the negotiations.

The Respondent stated that they are not affiliated with the Property Company, and they listed the property with a valid power of attorney. Respondent stated all the offers and addendums were prepared by the Complainant and they did not notice the addition of Property Company's name until the complaint was received. The Respondent attached the MLS listing, Purchase and Sale Agreement, and other documents.

Based on the information provided, the Property Company is not mentioned in the MLS listing but does show up throughout the various contracts signed by the parties. Counsel was unable to determine who owned the Property Company or the extent of the involvement in the real estate transaction. Counsel finds it concerning that the Respondent did not notice a party to the contract that had no relationship to the

transaction, although it was signed by all parties. Counsel finds that they failed to do their due diligence to exercise reasonable skill and care under T.C.A. § 62-13-403.

Based upon all these facts, Counsel recommends this Respondent be assessed a civil penalty of Five Hundred Dollars (\$500.00) for failing to do exercise reasonable skill and care when they failed to notice all parties to the contract under T.C.A. § 62-13-403.

Recommendation: Five Hundred Dollars (\$500.00) for a violation of T.C.A. § 62-13-403(1) for failing to exercise reasonable skill and care.

Commission Decision: The Commission voted to accept counsel's recommendation.

Previous New Information: After the Respondent received the consent order, Counsel had a conversation with them, and they requested that the following information be submitted for the Commission to reconsider.

The Respondent stated they were operating under a Power of Attorney (POA) and that person also had a contract to purchase thus creating a wholesale transaction. They were unaware of this until the offer came in from the buyer's agent. It was only after receiving the offer did, they know about the wholesale.

Once the offer was in and signed then they worked until it was cancelled, and they only had an obligation from an MLS rules standpoint. They stated that the MLS did not allow them to cancel a listing when there is an active offer or contract on a property because it would violate their rules and create a fine situation that could potentially escalate to higher amount for not having handled the transaction properly. Once the transaction failed the Respondent cancelled the listing in the MLS and have not done any further business with the Individual.

In short, the Respondent stated that the once they learned that the individual only had the POA and was not the legal owner, they did everything to retract the offer.

Counsel still maintains that the Respondent failed to exercise reasonable skill and care as the offer still contained multiple names and did not notice.

Previous New Recommendation: Discuss.

Previous New Commission Decision: The Commission voted to continue with the original discipline.

New Information: Counsel spoke with the Respondent and reviewed notes from the previous conversation, and it appears that the Power of Attorney was received by the Respondent, and they listed the property in good faith, believing that they had the authority to list the property. Once they had a chance to remove the listing, they did so. Under Tenn. Code Ann. § 62-13-406(c), there shall be no imputation of knowledge or information among or between clients, the managing broker and any designated agent or agents in a designated agency situation. Based on the lack of prior discipline and the specific facts of this matter, Counsel would amend their recommendation and dismiss this matter.

New Recommendation: Dismiss.

New Commission Decision: The Commission voted to accept Counsel's recommendation.

The meeting adjourned at 10:45 A.M. on May 9, 2024.