

**TENNESSEE REAL ESTATE COMMISSION MINUTES**  
**December 5, 2012**

The Tennessee Real Estate Commission convened on December 5, 2012 at 9:03 a.m., in Room 160 of the Davy Crockett Building, 500 James Robertson Parkway, Nashville, TN 37243. The following Commission Members were present: Chairman William “Bear” Stephenson, Vice-Chairman Michelle Haynes, Commissioner Grover Collins, Commissioner Janet DiChiara, Commissioner John Griess, Commissioner Isaac Northern and Commissioner Wendell Alexander. Commissioner Austin McMullen arrived at 9:10a.m. Commissioner David Flitcroft was absent. Others present: Executive Director Eve Maxwell, Education Director Steve McDonald, Assistant General Counsel Julie Cropp and Counsel Robyn Ryan.

Chairman Stephenson called the Tennessee Real Estate Commission to order at 9:03 a.m. on Thursday, November 8, 2012.

**Formal Hearing**

TREC v. Eugene S. Thomas III, license 320632  
Docket # 12.18-118640A

In the hearing of Mr. Eugene S. Thomas III, license 320632, it was **ORDERED** that Respondent’s license as an affiliate broker hereby suspended until October 19, 2013. Additionally, Respondent is **ORDERED** to pay a civil penalty of **THREE THOUSAND DOLLARS (\$3,000.00)**. Respondent is ordered to pay all hearing costs which include the costs of the Administrative Law Judge and the court reporter. Respondent is therefore **ORDERED** to pay the **total court costs within thirty days of the entry of this order**. The Final Order shall take effect upon filing with the Administrative Procedures Division of the Office of the Secretary of State.

The Commission meeting took a lunch break 11:12 a.m. and Chairman Stephenson called the meeting back to order at 1:35 p.m.

The first order of business was the adoption of the agenda for the November 2012 Commission meeting. **Commissioner DiChiara made the motion to adopt the November 2012 Commission meeting; seconded by Commissioner Haynes; unanimous vote, motion carried.**

The next order of business was the approval of September 2012 minutes. **Commissioner Collins made a motion to approve the September 2012 minutes; seconded by Commissioner Griess; unanimous vote; motion carried.**

**Informal Affiliate Broker Applicant Appearance: Waiver of Rule 1260-2-.01(2), the “50 mile rule”**

Principal Broker: Qasim “Sam” Saeed Tiwana #309637  
Affiliate Broker: Timothy Allen Crane #319481

Principal Broker Tiwana is the Principal Broker of two firms located at 2176 West St. Suite 200, Germantown, TN. 38138. Affiliate Broker Crane resides at 1785 Sycamore Dr., Morris Chapel, TN 38361 and has filed a TREC 1 form to transfer to Kaizen Realty, LLC # 260833. The distance between the offices of Kaizen Realty, LLC # 260833 and the residence of Crane is 84 miles by a straight line calculation as required by Rule 1260-2-.01(2). The Principal Broker, Tiwana, and the prospective affiliate broker, Crane, appeared together to request a waiver of Rule 1260-2-.01(2). The Commission heard a detailed description of the systems Tiwana has put in place to monitor and train licensees affiliated with Kaizen Realty, LLC. **Commissioner Northern made a motion to approve the waiver of the 50 mile rule; seconded by Commissioner Collins; unanimous vote; motion carried.**

### **Legal Report, Julie Cropp, Assistant General Counsel**

At the beginning of the text of each legal report the following text is inserted and Ms. Cropp read the statement into the record: "Any consent order authorized by the Commission should be signed by Respondent and returned within thirty (30) days. If said consent order is not signed and returned within the allotted time, the matter may proceed to a formal hearing."

**Attached to the end of these minutes is a copy of the legal report with all decisions indicated.**

- 1. 2011025401- Commissioner Northern motioned to accept counsel's recommendation of a Consent Order TCA 62-13-312(b)(1) willful misrepresentation \$1000.00, (2) making a promise to induce a person to enter into a contract for \$1000.00; (3) pursuing a course of flagrant misrepresentation for \$1000.00; (20) engaging in conduct that is improper, fraudulent and dishonest dealings for \$1000.00; 62-13-313(a)(2) failing to respond to a complaint filed by the Commission for \$1000.00 for a total civil penalty of \$5000.00. Close and Flag file; seconded by Commissioner Griess; unanimous vote, motion carried.**
- 2. 2012005581- Consent Order for \$2,000.00 for failure to exercise adequate supervision over the activities of a licensed affiliate broker in violation of T.C.A. § 62-13-312(b)(15) and failure to respond to a complaint filed with the Commission in violation of § 62-13-312(b)(14) and §62-13-313(a)(2) plus attendance by Respondent at a two day meeting of the Commission within one hundred eighty (180) days of Respondent's execution of Consent Order. Close and Flag file. Commissioner Northern motioned to accept counsel's recommendation; seconded by Commissioner Griess; unanimous vote, motion carried.**
- 3. 2012013391- Commissioner Griess made a motion to accept counsel's recommendation of a Letter of warning regarding Rule 1260-02-.09(1) which states that each broker shall maintain a separate escrow account for the purpose of holding any funds which may be received as deposits, earnest money, etc. and (3) which states that brokers are responsible at all times for deposits and earnest money; seconded by McMullen; Commission DiChiara abstained; motion carried.**
- 4. 2012016321- Commissioner McMullen made a motion to accept counsel's recommendation of a Consent Order for failing, within a reasonable time, to account for or to remit any moneys coming into the licensee's possession that belong**

to others in violation of T.C.A. § 62-13-312(b)(5) with a civil penalty of \$500.00 plus attendance by Respondent at one (1) entire meeting of the Commission within one hundred eighty (180) days of Respondent's execution of Consent Order; seconded by Commissioner Northern; unanimous vote, motion carried.

5. 2012016821- Commissioner Haynes made a motion to accept counsel's recommendation to Dismiss; seconded by Commissioner Collins; unanimous vote; motion carried.
6. 20122017171- Commissioner Collins made a motion to accept counsel's recommendation of a Consent Order for failing to diligently exercise reasonable skill and care in providing services to all parties to the transaction and failing to provide services to each party to the transaction with honesty and good faith in violation of T.C.A. § 62-13-312(b)(14) and § 62-13-403(1) and (4) and acting on behalf of an individual in which Respondent had a personal interest without prior disclosure of the interest and timely written consent of all parties to the transaction in violation of T.C.A. § 62-13-403(7)(A) with a civil penalty of \$1,00.00 plus attendance by Respondent at one (1) entire meeting of the Commission within one hundred eighty (180) days of Respondent's execution of Consent Order; seconded by Commissioner DiChiara; unanimous vote; motion carried.
7. 2012017721- Commissioner Collins made a motion to dismiss; seconded by Commissioner Northern; unanimous vote; motion carried.
8. 2012017861- Commissioner DiChiara made a motion to accept counsel's recommendation of a Consent Order for \$500.00 for unlicensed activity in violation of T.C.A. § 62-13-102(4)(A)(B), § 62-13-103, and § 62-13-301, said order to also include order to cease and desist all unlicensed activity and added the matter be sent to the District Attorney for the County of the violation; seconded by McMullen; unanimous vote; motion carried.
9. 2012017731- Commissioner DiChiara made a motion to accept counsel's recommendation to Close and flag the file; seconded by Commissioner McMullen; unanimous vote; motion carried.
10. 2012018331- Commissioner DiChiara made a motion to accept counsel's recommendation to refer to District Attorney's office and close file; seconded by Commissioner McMullen; unanimous vote; motion carried.
11. 2012021771- Commissioner Northern made a motion to dismiss; seconded by Commissioner Haynes; unanimous vote; motion carried.
12. 2012019031- Commissioner Northern made a motion to accept counsel's recommendation to dismiss; seconded by Commissioner Haynes; unanimous vote; motion carried.
13. 202019531 &
14. 2012019532 &
15. 2012019551- Commissioner McMullen made a motion to accept counsel's recommendation to dismiss; seconded by Commissioner DiChiara; unanimous vote; motion carried.
16. 2012019791- Commissioner DiChiara made a motion to accept counsel's recommendation to dismiss; seconded by Chairman Stephenson; unanimous vote; motion carried.

17. **2012020591-** Commissioner Griess made a motion to accept counsel's recommendation to dismiss; seconded by Commissioner Northern, unanimous vote; motion carried.
18. **2012021821-** Commissioner Collins made a motion to accept counsel's recommendation to dismiss; seconded by Commissioner Northern, unanimous vote; motion carried.
19. **2012022401-** Commissioner Collins made motion to accept counsels recommendation of a Consent Order for voluntary surrender of Respondent's license for violating the terms of any lawful order entered by the Commission in violation of T.C.A. § 62-13-312(b)(14) and failing to respond to a complaint filed with the Commission in violation of T.C.A. § 62-13-312(b)(14) and § 62-13-313(a)(2); seconded by Commissioner Northern unanimous vote; motion carried.

**Commissioner Collins made a motion to approve Consent order log; seconded by Commissioner McMullen; unanimous vote; motion carried.**

#### **Education Report, Stephen McDonald, Education Director**

Mr. McDonald presented the Courses for Commission Evaluation and Discussion for the month of December 2012 and the report is inserted. Commissioner Haynes made a recommendation that item D16 be updated pending any information changes in 2013. Commissioner DiChiara made a recommendation that item D20 be updated pending any information changes in 2013.

**Commissioner McMullen Made a motion to accept the Courses for the Commission Evaluation (D1-D45); seconded by Commissioner Collins; unanimous vote; motion carried.**

Commissioners discussed granting retroactive credit for (D45) on the Courses for the Commission Evaluation. Commissioner McMullen made a motion to approve the request; seconded by Chairman Stephenson; the vote was 6:2 against granting the retroactive credit; motion failed.

**Commissioner Alexander made a motion to recess and continue with the Education Report on December 6, 2012; seconded by Commissioner Northern; unanimous vote, motion carried and the meeting was in recess at 4:06 p.m.**

#### **December 6, 2012**

The Tennessee Real Estate Commission was called to order by Chairmen Stephenson at 9:14 a.m. Commissioner McMullen and Commissioner Flitcroft were absent.

#### **Education Report, Stephen McDonald, Education Director**

The Commissioners reviewed the last item on the Education Report, D47. Commissioner DiChiara requested a copy to review. Commissioner Collins made a motion to approve D47; seconded by Commissioner Alexander; unanimous vote; motion carried.

Mr. McDonald presented the following Instructor Reviews for the month of December 2012. Assistant General Counsel Julie Cropp requested Commissioner DiChiara recuse herself from voting.

1. Susan Barnette (1397) requests the approval of Janet DiChiara as an instructor for the following courses:

- 6687 AGENCY IN TN
- 6688 TAR PURCHASE & SALE AGREEMENT
- 6689 TAR FORMS 101
- 6690 TAR FORMS 102
- 6691 QUAD ETHICS
- 6692 ADVERTISING IN TN
- 6693 TRANSACTION DESK BASIC
- 6695 TREC MANUAL 101
- 6696 21 WAYS TO LOSE LICENSE
- 6806 RESPA
- 6910 FAIR HOUSING
- 6911 WRITTEN GOALS
- 6927 METH CONTAMINATED HOMES
- 7009 LISTING PROPERTY

2. Christopher Cantrell (1560) requests the approval of Charlie Winn as an instructor for course number 7019- 1031 Exchanges. Mr. Winn has been in the finance industry since 1992 and the mortgage industry since 1999. He currently is the State President of Nations Title/1<sup>st</sup> United Title and Escrow and has held this position since 2008. He earned his B.S. in Economics and is a 2013 M.B.A. candidate.

**Commissioner Collins made a motion to accept the Instructors for the month of December 2012; seconded by Commissioner Griess; Commissioner DiChiara recused herself; unanimous vote; motion carried.**

Mr. McDonald presented information on a TREC Instructor Workshop facilitator guide. Commissioners Collins, DiChiara, Haynes, Northern and Griess will review the draft and make recommendations at the January 2013 TREC business meeting.

## **Executive Director's Report, Eve Maxwell, Executive Director**

Ms. Maxwell presented the following information to the Commission for review and discussion, all of which are attached to these minutes:

The Complaint Status Report  
Agreed Citation Report  
Complaint Source Report  
November Licensing Statistics

Ms Maxwell presented for the Commission's discussion whether a licensee licensed in another state applying for a Tennessee license through the license recognition process needed to have an active license in the state from which the licensee was applying. The Commission decided that in addition to meeting the other requirements for licensure by license recognition, that the applicant must have an active license in the state from which the licensee is applying.

Next the Commission began the discussion of the redistribution of the auditor resource. Chairman Stephenson noted that the Administration wanted to streamline the audit process to make it more efficient and cost effective. Ms Maxwell presented information about, and an overview of, the current method of operation for the audit section and ways in which the current operation and structure might be more effectively monitored and more efficiently operated. The Commissioners discussed the importance of the auditors having the skills to perform investigative functions as well as audit functions. Commissioner DiChiara asked Ms Maxwell to find out information about training and possible certifications which might be available for inspectors and auditors. Chairman Stephenson asked all the Commissioners to think about ways to improve the audit system so that it can become a more effective and efficient tool for the Commission, the licensees and the public. Chairman Stephenson requested that Ms Maxwell ask Assistant Commissioner Giannini to come to the January, 2013 meeting and update the Commission on the administration's plans for 2013.

The Commissioners discussed the dates for the ARELLO conferences and determined that a definite decision concerning who might want to participate would be made at the January, 2013 meeting.

Commissioner Northern asked about the 40 year celebration scheduled for October 10, 2013 in East Tennessee. Commission Griess is in charge of the event and has done quite a bit of groundwork. The breakfast will be held in Farragut, Tn and the October 10-11, 2013 Commission meeting will be held in Farragut as well.

Chairman Stephenson adjourned the meeting at 10:45 a.m.



STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
OFFICE OF LEGAL COUNSEL  
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MEMORANDUM

TO: TENNESSEE REAL ESTATE COMMISSION

FROM: JULIE CROPP, Assistant General Counsel

SUBJECT: DECEMBER LEGAL REPORT

DATE: December 5-6, 2012

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**\*Any consent order authorized by the Commission should be signed by Respondent and returned within thirty (30) days. If said consent order is not signed and returned within the allotted time, the matter may proceed to a formal hearing.**

**1. 2011025401**  
**Opened: 11/23/11**  
**First License Obtained: 2/3/05**  
**License Expiration: 5/30/12**  
**E&O Expiration: 1/1/13**  
**Type of License: Affiliate Broker**  
**History: No Prior Disciplinary Action**  
**\*\*\*Respondent's license expired on 5/30/12\*\*\***

***February 2012 Meeting:***

*Complaint alleges that the Respondent a licensee forged their names on a purchase and sell agreement allegedly attempting to purchase their farm. A copy of the sales agreement was provided where the Respondent apparently drew a contract for the sale of the Complainants farm to a third party. Complainants discovered this when the third party contacted them and said "hey, we're the people that just bought your farm." The buyers were supposed to deliver \$110,000 to the Respondent that week for the purchase price in full. No explanation was given to any of the parties.*

*The Respondent submitted no response.*

***Recommendation: Consent Order TCA 62-13-312(b)(1) willful misrepresentation \$1000.00, (2) making a promise to induce a person to enter into a contract for \$1000.00; (3) pursuing a course of flagrant misrepresentation for \$1000.00; (20) engaging in conduct that is improper, fraudulent and dishonest***

*dealings for \$1000.00; 62-13-313(a)(2) failing to respond to a complaint filed by the Commission for \$1000.00 for a total civil penalty of \$5000.00*

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

**2. 2012005581**

**Opened: 3/26/12**

**First License Obtained: 9/28/04**

**License Expiration: 12/8/12**

**E&O Expiration: 1/1/13**

**Type of License: Principal Broker**

**History: No Prior Disciplinary Action**

***June 2012 Meeting:***

*TREC opened complaint against Respondent (principal broker) based on complaint against Respondent's affiliate. The facts as presented to Commission regarding affiliate were as follows:*

*February 2012 Meeting*

*Complaint alleges that the Respondent a licensee forged their names on a purchase and sell agreement allegedly attempting to purchase their farm. A copy of the sales agreement was provided where the Respondent apparently drew a contract for the sale of the Complainants farm to a third party.*

*Complainants discovered this when the third party contacted them and said "hey, we're the people that just bought your farm." The buyers were supposed to deliver \$110,000 to the Respondent that week for the purchase price in full. No explanation was given to any of the parties. The Respondent submitted no response. Respondent submitted no response to the complaint.*

***Recommendation: Consent Order for \$2,000.00 for failure to exercise adequate supervision over the activities of a licensed affiliate broker in violation of T.C.A. § 62-13-312(b)(15) and failure to respond to a complaint filed with the Commission in violation of § 62-13-312(b)(14) and §62-13-313(a)(2) plus attendance by Respondent at a two day meeting of the Commission within one hundred eighty (180) days of Respondent's execution of Consent Order.***

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

Telephone calls between attorney and Respondent 1 concluded with a promise to sign and pay Consent Orders and a statement that Respondent 2 had brain cancer. These calls were in July, and no payments or signed consent orders have been received despite stating both would be in "today's mail" on July 30, 2012.

Respondent 1's license expired on May 30, 2012, and TREC received information indicating that Respondent 1 was arrested for theft in excess of \$60,000.00. Consent Orders sent to Respondent 2 came back unclaimed. Respondent 2's firm expired on May 26, 2012. Telephone numbers for both Respondents are now disconnected. Respondent 2 has not completed Respondent 2's post 120 hours of education, and Respondent 2's fourth year is up on December 8, 2012, meaning that Respondent 2 could not renew. Were Respondent 2 interested in renewing, Respondent 2 would have to complete the education, pay a civil penalty of \$600 (on education failure), and address this complaint. A telephone call to former firm of Respondent 1 revealed that Respondents (who were married) have divorced, and Respondent 2 has moved from the town. An online search did not provide any current information on either Respondent except for the confirmation of the arrest of Respondent 1.

**New Recommendation as to Both Respondents: Close and flag.**

**DECISION: The Commission voted to accept the recommendation of legal counsel as to both Respondents.**

**3. 2012013391**

**Opened: 7/27/12**

**First License Obtained: 3/10/95**

**License Expiration: 12/7/12**

**E&O Expiration: 1/1/13**

**Type of License: Principal Broker**

**History: 200101760 - \$500.00 Consent Order (escrow account violation)**

**2012019891 – Under review by legal**

***November 2012 Meeting:***

*Complaint opened against Respondent (principal broker) based on an April 2012 audit of one of the firms at which Respondent was principal broker (according to the audit report, Respondent was the principal broker of two (2) firms at the same location). The audit report indicates that the audited firm was closing within a month. The audit report noted three (3) issues. First, the auditor stated that the firm sign was not out front because it was waiting to be installed. Second, the auditor noted issues with the escrow account which included several small overdrafts and had non-escrow payments (firm had no general account). Finally, the auditor noted that Respondent had written to TREC notifying of a situation where one of Respondent's affiliated brokers was paid a commission from a sale by a related firm, which had ongoing negotiations with Respondent's audited firm but no agreement.*

*Respondent submitted a reply stating that in opening the audited firm, they were trying to accomplish a franchise with another firm, which did not work out and was the reason for the audited firm deciding to close its doors in May 2012. With regard to the sign issue, Respondent states that the large outdoor sign had been delivered but not yet installed, and a 24 x 24 sign was temporarily in the window. As to the escrow account issue, Respondent states that when Respondent came on with the audited firm, the book keeper had the subject account already established. Respondent states that Respondent told the book keeper that the account was escrow only. Respondent states that several checks were given to Respondent for use in setting up the firm (check to Secretary of State, check to TREC, and check to MLS). Respondent states that Respondent was not aware that these checks were given from the escrow account. Respondent states that the overdrafts were due to bank charges (\$15 monthly fee). After the firm closed, the account was also closed, and Respondent states that Respondent has learned to be more attentive to the escrow situation. With regard to the final commission issue, Respondent states that Respondent notified TREC of the situation, where one of Respondent's affiliated brokers received a commission check from another firm. At the closing, the HUD form listed Respondent's audited firm as the firm to receive the closing check, but it was issued to another firm (which Respondent's audited firm was, at that time, attempting to do a franchise with which later fell through) and the principal broker of the other firm deposited the closing check and issued it to Respondent's affiliated licensee.*

***Recommendation: Letter of warning regarding Rule 1260-02-.09(1) which states that each broker shall maintain a separate escrow account for the purpose of holding any funds which may be received as deposits, earnest money, etc. and (3) which states that brokers are responsible at all times for deposits and earnest money.***

*Decision: The Commission voted to defer this matter to allow Commissioner DiChiara to review the file and report at the December meeting.*

**New Recommendation: Commissioner DiChiara to discuss.**

**DECISION: The Commission voted to accept the original recommendation of legal counsel.**

**4. 2012016321**

**Opened: 8/14/12**

**First License Obtained: 1/18/78**

**License Expiration: 4/5/13**

**E&O Expiration: 1/1/13**

**Type of License: Principal Broker**

**History: No Prior Disciplinary Action**

Complainant was the owner of a property who contracted with Respondent (principal broker) to manage Complainant's property. Complainant alleges bad management services by Respondent, including but not limited to failing to timely pay Complainant rent money until several days past the date specified within the management contract, leasing the property to a tenant prior to discussing the move-in date with Complainant, leaving responsibility to conduct minor repairs to Complainant, and failing to return the tenant's security deposit after Complainant terminated the management agreement with Respondent and asked that Respondent forward the security deposit to another management company retained by Complainant.

Respondent submitted a response disputing Complainant's allegations. First, Respondent states that Complainant agreed to do certain repairs to get the property rented which were never done and Respondent was not permitted to make certain repairs. Additionally, Respondent states that Complainant was pleased that the tenant moved in early and Respondent signed the lease with the tenant after informing Complainant of the arrangement. As to the rent payments, Respondent states that there was a banking mistake for the tenant which resulted in the tenant having to write a second check to make the funds good which resulted in withholding payment to Complainant until Respondent's office could verify that the funds were good. Finally, when Complainant terminated the management agreement, Respondent felt Respondent was entitled to a termination fee in light of the services provided.

Complainant's issues with the repairs, the payment of rent several days after the time specified in the contract, and the tenant's move-in date are disputed by Respondent and do not appear to be clearly resolved by the management agreement, which is poorly drafted. It appears that there is a possibility of future litigation between the parties based on Complainant's termination of the management agreement and fees which Respondent claims are due to Respondent based on the termination. However, Complainant terminated Respondent's property management services and requested a release of the tenant's security deposit in writing in November 2011. Respondent did not release the tenant's security deposit to Complainant until November 2012 after this complaint was filed.

**Recommendation: Consent Order for failing, within a reasonable time, to account for or to remit any moneys coming into the licensee's possession that belong to others in violation of T.C.A. § 62-13-312(b)(5) with a civil penalty of \$500.00 plus attendance by Respondent at one (1) entire meeting of the Commission within one hundred eighty (180) days of Respondent's execution of Consent Order.**

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

**5. 2012016821**  
**Opened: 8/14/12**  
**First License Obtained: 7/18/05**  
**License Expiration: 7/17/13**  
**E&O Expiration: 1/1/13**  
**Type of License: Affiliate Broker**  
**History: No Prior Disciplinary Action**

Respondent (affiliate broker) was the listing broker for a property purchased by Complainant. Complainant wished to construct a wooden outbuilding and fence on the property, which conflicted with the restrictive covenants for the subdivision. Therefore, one of the contingencies for the purchase was to resolve this restriction. Complainant states that Complainant was told that if Complainant used the same closing company, Respondent would have an attorney with the closing company draft a letter and Respondent would obtain the signatures of fifty percent (50%) of the owners in the subdivision to effectively override the restriction. This was done, and Complainant states that Respondent did not obtain enough signatures by closing to override the restriction. Further, Complainant states that Respondent is familiar with the subdivision and sellers and would have had knowledge of easements and setbacks which Respondent did not disclose to Complainant's broker. Additionally, Complainant alleges that a number of issues with the home were not listed on the seller's disclosure forms, such as some of the windows on the home were damaged with condensation and had other characteristics indicating defectiveness, as well as other matters, including a leaky shower and toilet and problems with the air conditioner. Complainant states that those defects were not listed on the disclosure forms, and Respondent knew of this based on Respondent's familiarity with the home and the sellers, and Respondent should have been sure that these matters were disclosed to Complainant.

Respondent submitted a reply denying that Respondent told Complainant that Complainant would need to use the same closing company in order to get the letter, but instead only suggested the same closing company to avoid a split closing. Respondent states, although it was not Respondent's responsibility, that when Complainant's broker notified Respondent of the restrictions and the process by which the restrictions could be overridden, Respondent agreed to assist Complainant's broker in obtaining the signatures. Respondent states that eight (8) signatures were obtained out of the nineteen (19) homes in the subdivision due to the fact that one home was foreclosed and bank-owned and the other was the subject property. Respondent states that these two properties were not counted in the total due to Respondent and Complainant's broker's belief that those properties should be excluded. Because there is no HOA, Respondent sought guidance and was directed that Respondent should ask an attorney to draft a letter regarding the necessary process for an override, and Respondent and Complainant's broker obtained eight (8) signatures. Later, the sellers of the subject property added their names and Complainant was able to construct the wooden outbuilding and fence. Respondent denies knowledge of any easements or setbacks and states Complainant signed a disclaimer advising the services of a licensed professional for those issues. As to the disclosure issues, Respondent states that Respondent did not assist in completing the sellers' disclosure and Respondent is not a home inspector who could have known of the issues, and Complainant hired an inspector who completed a report on the home. Based on the documentation contained within the file, there does not appear to be a violation of TREC's statutes and/or rules by Respondent.

**Recommendation: Dismiss.**

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

**6. 2012017171**  
**Opened: 8/21/12**  
**First License Obtained: 2/6/03**  
**License Expiration: 8/21/13**  
**E&O Expiration: 1/1/13**  
**Type of License: Affiliate Broker**  
**History: No Prior Disciplinary Action**

Complainant was the owner of a property which was listed for sale. After entering into a purchase and sale agreement with a potential buyer (who was represented by Respondent and who Complainant later found out was Respondent's nephew) for the purchase of Complainant's property, Complainant moved out of the property, but the closing was delayed several times due to financing difficulties on behalf of the potential buyer. During that time, Complainant visited the property and found the lockbox and for sale sign missing and evidence that someone had entered the property and had begun renovating it. Complainant then learned that Respondent's nephew had been admitted into the property with Respondent to begin doing work that he wanted done prior to move-in, because Respondent thought the closing was going to take place in a couple of days and Respondent felt sorry for him. Complainant instructed that the property be put back on the market, that Respondent pay for repainting of several rooms which had been altered, that Respondent have the locks rekeyed, and that Respondent and Respondent's nephew would not be allowed back in the property. Complainant went to the property on the following day to find that the locks had been rekeyed, and Complainant could not enter. Complainant was told that Respondent had the locks rekeyed and had the only copy and planned to use the key to let professional painters in over the weekend. When Complainant visited the property on the date that painters were to be working, Complainant found Respondent in the property, who was there repainting the designated rooms.

Respondent submitted a response stating that the property closed and Respondent's nephew, the potential purchaser referenced above, purchased the subject property approximately one week after Complainant sent this complaint to TREC. Respondent states that this was due to financing difficulties. After the final walkthrough a few days prior to the scheduled closing, Respondent states that Respondent was given permission by Complainant's broker's office assistant to remove the sign and lockbox to bring to the closing. After the walkthrough, Respondent states that Respondent was attempting to remove the lockbox and Respondent's nephew offered to assist by holding the items in Respondent's hand. One of the items was the key. After removing the sign, Respondent and Respondent's nephew parted ways and Respondent claims that Respondent did not realize that Respondent did not get all of the keys back. Respondent states that Respondent did not realize Respondent's nephew had been in the house until notified by Complainant's broker. Respondent addressed the issue with Respondent's nephew (who Respondent states was embarrassed and remorseful and did not realize he should not have accessed the property) and Respondent states that Respondent "tried to cover" for Respondent's nephew's actions by telling Complainant's broker that Respondent had assisted with making the repairs. Respondent states that Respondent had the locks rekeyed as directed but could not find a professional painter to paint the property immediately as Complainant directed, so Respondent, who is a professional painter, decided to do the painting work personally. Complainant apologized for the misunderstanding and stated that nothing of this nature would ever happen again but reiterated that the property eventually closed.

**Recommendation: Consent Order for failing to diligently exercise reasonable skill and care in providing services to all parties to the transaction and failing to provide services to each party to the transaction with honesty and good faith in violation of T.C.A. § 62-13-312(b)(14) and § 62-13-403(1) and (4) and acting on behalf of an individual in which Respondent had a personal interest without prior disclosure of the interest and timely written consent of all parties to the transaction in**

violation of T.C.A. § 62-13-403(7)(A) with a civil penalty of \$1,00.00 plus attendance by Respondent at one (1) entire meeting of the Commission within one hundred eighty (180) days of Respondent's execution of Consent Order.

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

**7. 2012017721**

**Opened: 8/27/12**

**First License Obtained: 6/16/10**

**License Expiration: 6/15/14**

**E&O Expiration: 1/1/13**

**Type of License: Affiliate Broker**

**History: No Prior Disciplinary Action**

Complainant was the unrepresented potential buyer of a new property under construction which was listed by Respondent (affiliate broker). Complainant was pre-qualified and Complainant made an offer. After entering into the sales contract with the builder, Complainant began selecting finishes for the unfinished property. At that point, Complainant learned that there was an additional \$500 upgrade fee for stainless steel appliances, which Complainant was not aware of when Complainant made the offer. Complainant opted to write a check for the upgrade fee since the offer had already been submitted to the mortgage company. Shortly before closing, the mortgage company informed Complainant that Complainant would have to pay a tax bill owed to the IRS before closing, which Complainant could not do. Complainant met with Respondent and the builder/seller to try to work out a situation to make the sale go forward, but ultimately the sale did not go through. Complainant states that Complainant attempted to contact Respondent multiple times by phone and text about receiving a return of the earnest money and upgrade fee. Later, Complainant states that Respondent provided Complainant with documents for a request of a return of Complainant's earnest money and upgrade fee, which Complainant signed and returned. Complainant states that Complainant received a return of the earnest money, but, as of the date of the complaint, Complainant had not received the upgrade fee.

Respondent submitted a reply stating that Respondent prepared the earnest money and contract cancellation release form which Complainant signed and returned. Shortly after, Respondent states that Respondent left employment with the firm and moved elsewhere. Respondent states that records indicate that the earnest money deposit was returned, but Complainant is unsure of how the return of the upgrade fee was handled by the builder/seller. Respondent states that Complainant chose to pay for the appliance upgrade outside of closing rather than including it in the mortgage. Respondent states that Respondent worked very hard to get the builder/seller and Complainant to meet to resolve the issue when the sale fell through but Complainant would not do so. Based on the information contained within the file, it does not appear that Respondent's actions constitute violations of TREC's laws and/or rules but appear to be issues between Complainant and the builder/seller.

**Recommendation: Dismiss.**

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

**8. 2012017861**

**Opened: 9/25/12**

**History: No Prior Disciplinary Action - Unlicensed**

Complainant is the owner of a property which has been managed by Respondent (unlicensed) since 2010 when the parties entered into a property management contract. After Complainant did not receive rent payments from Respondent for several months in 2012, Complainant discovered that Respondent had collected the rents from the tenant but had not forwarded Complainant's portion. Complainant terminated Respondent's services and filed this complaint after learning that Respondent was not licensed.

Respondent submitted a response stating that Respondent was unaware that Respondent needed a license to perform these property management services. Respondent states that after receiving the complaint, Respondent ceased managing property for others and now only manages a few of Respondent's own properties. An auditor visited Respondent's address, which the auditor discovered was the address for a mail store where Respondent owns a mailbox. Information obtained from Respondent's website advertises five (5) properties for rent, which appear to be owned by Respondent except for one property which states it is owned by a business, but that business' address is the same as Respondent. However, Respondent's website advertises property management services for a fee, which include, but are not limited to, management, rent collection, property showings, advertising, and applicant screening.

**Recommendation: Consent Order for \$500.00 for unlicensed activity in violation of T.C.A. § 62-13-102(4)(A)(B), § 62-13-103, and § 62-13-301, said order to also include order to cease and desist all unlicensed activity.**

**DECISION: The Commission voted to accept the recommendation of legal counsel and added that the matter be sent to the district attorney.**

**9. 2012017731**

**Opened: 8/31/12**

**First License Obtained: 3/12/99**

**License Expiration: 3/1/13**

**E&O Expiration: 1/1/13**

**Type of License: Principal Broker**

**\*\*\*Respondent's license has been revoked\*\*\***

Complainant alleges that Respondent (principal broker) utilized a professional designation on Respondent's website. Complainant states that Respondent is not a member of this professional network.

Respondent submitted a reply stating that Respondent completed all the requirements to be awarded the designation and was a member of the organization in the past. However, Respondent states that Respondent is not currently an active member purely because the past due dues have not be paid.

Due to the fact that Respondent's license has been revoked, it is recommended that this matter be closed and flagged.

**Recommendation: Close and flag.**

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

**10. 2012018331**

**Opened: 9/10/12**

**History: No Prior Disciplinary Action – Unlicensed**

Complainant, a resident of another state, was contacted by an individual who represented he was with a company (also out of state) which wanted to acquire and re-sell Complainant's time-share (located in Mexico) to a third party. Complainant was informed that the transaction would be handled through a company in Tennessee. Soon after, Complainant was contacted by Respondent, an individual who claimed to be connected with the Tennessee company. Respondent told Complainant that Complainant would have to sign a power of attorney release for the resale and pay several thousand dollars up front which would serve as taxes paid to Mexico so documents could be obtained to finalize the sale, which Complainant refused to do. Respondent also sent Complainant a document claiming it was a copy of the company's license which is a fake TREC license. Complainant, realizing this was a scam, filed the complaint.

A copy of the complaint was sent to Respondent via certified mail at the address provided on correspondence from Respondent, which was returned as undeliverable. Based on information obtained from the Better Business Bureau, the address provided is a vacant building.

**Recommendation: Refer to District Attorney's office and close.**

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

**11. 2012021771**

**Opened: 10/30/12**

**First License Obtained: 3/24/08**

**License Expiration: 3/23/13**

**E&O Expiration: N/A**

**Type of License: Time-Share Registration**

**History: 2012021951 – Under review by legal**

**2012022851 – Under review by legal**

In 1977, Complainant purchased a lot in a development run by a resort company (the resort has since changed its name and is now known as Respondent – a time-share registration). Complainant states that Complainant was promised a number of things which Complainant states were lies, included but not limited to that the lot would increase in value in two (2) years, that club dues would pay several of the utilities, that a marina would be put in, and that the developer would purchase the lot back if Complainant became dissatisfied. After ten (10) years of paying club dues, there were still no improvements to the lot (no roads, no water, no sewer). Complainant surrendered the lot back to the developer for free in 2001 because Complainant no longer wished to pay dues. Complainant did not provide any of the original purchase agreements, but just provided copies of Complainant's letters and complaints to other agencies. It appears Complainant has filed with a number of agencies.

A reply was submitted on behalf of Respondent stating that the resort which Respondent was formerly known as sold undeveloped lots in the 1970s and 1980s, and all lot sales utilized disclosure documents filed with HUD. Respondent denies wrongdoing, stating that these documents did not promote the sale of the documents based on investment potential or represented that the lots would be developed. However, Respondent notes that agreements were entered with a Tennessee state agency and HUD to resolve complaints of this nature with consumers which provided categories for relief options for eligible consumers who had filed complaints, and Respondent states that Complainant did not file complaints prior to the necessary cut-off date (which was 5-6 years ago) and therefore Complainant was not eligible for relief under those settlement agreements. There is a lack of documentation regarding the purchase and/or the alleged representations made by Respondents other than the complaint and Complainant's

letters to other agencies. However, based on the information provided by Respondent and contained within the file, Complainant's allegations took place well outside of the two (2) year statute of limitations.

**Recommendation: Dismiss.**

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

**12. 2012019031**

**Opened: 9/28/12**

**First License Obtained: 1/24/2000**

**License Expiration: 7/4/14**

**E&O Expiration: N/A**

**Type of License: Firm**

**History: No Prior Disciplinary Action**

Complaint opened by TREC against Respondent (firm) based on Respondent's failure to satisfy an Agreed Citation sent to Respondent as a result of a TREC auditor's report regarding Respondent's accounts. The auditor's report noted an issue with the earnest money disbursement for a property wherein the auditor stated that the sales contract and the closing statement conflicted as to the amount and holder of the earnest money. Respondent sent a response disputing any error and stating that the auditor did not consider additional documents (consisting of counter offers to the purchase and sale agreement) which reconciled with the earnest money amount in the closing statement and which was disbursed according to the contract and amendments. Based on the documentation provided by Respondent, it appears that the earnest money amount stated in the contract was disbursed at closing with all parties receiving the money to which they were entitled at closing. Based on the information contained within the file, there does not appear to be a violation of TREC's statutes and/or rules by Respondent.

**Recommendation: Dismiss.**

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

**13. 2012019531**

**Opened: 10/2/12**

**First License Obtained: 4/20/05**

**License Expiration: 7/20/14**

**E&O Expiration: Uninsured**

**Type of License: Time-Share Salesperson**

**History: No Prior Disciplinary Action**

**14. 2012019532**

**Opened: 10/2/12**

**First License Obtained: 6/30/95**

**License Expiration: 2/11/13**

**E&O Expiration: 10/30/14**

**Type of License: Firm**

**History: No Prior Disciplinary Action**

**15. 2012019551**

**Opened: 10/2/12**

**First License Obtained:** 3/7/90  
**License Expiration:** 4/5/13  
**E&O Expiration:** 10/30/14  
**Type of License:** Principal Broker  
**History:** No Prior Disciplinary Action

Complainants were time-share owners who attended an update presentation in 2008 with their daughter and son-in-law given by Respondents (Respondent 1 is a time-share salesperson, Respondent 2 is a time-share registration, and Respondent 3 is Respondent 1's principal broker). At that time, Complainants purchased more points and combined existing points with their daughter and son-in-law to create one contract so that they could combine the points with Complainants' time-share from another resort through an exchange program to acquire "gold" status and use their points each year. A few months later, Complainants state that they realized that the exchange program which would allow gold status was no longer available. Complainants state that they were misled at the 2008 presentation. Therefore, Complainants made a subsequent purchase in 2010 at another resort to obtain gold status.

Respondents submitted a response disputing any misrepresentation but offering to release Complainants from their memberships. Respondents denied any misrepresentations regarding the exchange program at the 2008 sale and state that the terms of the program were explained and outlined in activation and disclosure statements which were available to Complainants at the presentation. The documentation within the file does not appear to substantiate a misrepresentation by Respondents; however, it appears that this transaction took place well outside of the two (2) year statute of limitations.

**Recommendation:** Dismiss.

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

**16. 2012019791**  
**Opened:** 9/28/12  
**First License Obtained:** 12/2/86  
**License Expiration:** 4/16/13  
**E&O Expiration:** 1/1/13  
**Type of License:** Principal Broker  
**History:** No Prior Disciplinary Action

Complainant is the owner/seller of a commercial building who was contacted by a potential buyer who met with Complainant regarding buying the property. Complainant and the potential buyer met with Respondent (principal broker) regarding assistance with a purchase and sale contract if Complainant (who was unrepresented at that time) and the potential buyer could come to an agreement. Complainant, having numerous interested potential buyers, then signed a listing agreement with Respondent for the property. Complainant states that said listing agreement included instructions that the initial potential buyer would be excluded since Complainant and that buyer had been in negotiations prior to the listing agreement. However, Complainant alleges that Respondent did not provide Complainant with a copy of the signed agreement at that time. Later, Complainant and the initial potential buyer came to an agreement on the purchase of the building. At that time, Complainant states that Complainant first received a copy of the listing agreement which Complainant states was not the same agreement that Complainant originally signed because, among other matters, the agreement in Complainant's possession did not exclude the initial potential buyer. Soon after, Complainant and Respondent became involved in civil proceedings regarding the commission issue.

Respondent submitted a response with court documents stating that this matter involves a commission dispute which is the subject of pending litigation between the parties. Court documents indicate that the pending litigation does indeed involve the commission dispute described in the complaint. Subsequent documentation submitted by the parties indicates that the parties have settled their civil commission dispute, and the documentation contained within the file does not appear to evidence a violation on the part of Respondent with regard to the listing agreement.

**Recommendation: Dismiss.**

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

**17. 2012020591**

**Opened: 10/17/12**

**First License Obtained: 3/29/07**

**License Expiration: 3/28/13**

**E&O Expiration: 1/1/13**

**Type of License: Principal Broker**

**History: No Prior Disciplinary Action**

Complaint opened by TREC against Respondent (principal broker) based on Respondent's failure to satisfy an Agreed Citation sent to Respondent. As a result of an auditor's report, which indicated an auditor concern regarding the amount of time taken in a transaction before earnest money was disbursed back to the buyer, Respondent was sent an Agreed Citation, which included a civil penalty for an escrow account violation, and because Respondent had not signed and returned said Agreed Citation, the matter was opened in legal as a complaint.

Soon after this matter was opened in legal, Respondent submitted the executed Agreed Citation and paid the civil penalty included therein.

**Recommendation: Dismiss.**

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

**18. 2012021821**

**Opened: 10/19/12**

**History: No Prior Disciplinary Action - Unlicensed**

Complainants live out of state and are the owners of a time-share in Mexico who were contacted by representatives from Respondent (unlicensed entity with an alleged address in Tennessee) claiming to represent a company who wanted to rent five (5) weeks of Complainants' time-share for a convention the company was holding. Respondent's representatives told Complainants that Complainants would need to wire money to an escrow account of state, which Complainants did with the assurance from Respondent's representatives that Respondent would mail the money back to Complainants in five (5) days. Complainants never received the money from Respondent, and soon realized that all contact phone numbers for Respondent were disconnected. Complainants later contacted the company which Respondent initially told Complainants wanted to rent the time-share for their convention, who informed Complainants that the company was holding no convention and the company was concerned its name was being used because this was a scam. A copy of the Complaint was sent to Respondent via certified mail at the address which was included in documentation from Respondent to Complainants. TREC received a

response from the clerk of the U.S. Bankruptcy Court stating that the court had courtrooms in the building and on the floor at the address for Respondent.

**Recommendation: Refer to District Attorney's office and close.**

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

**19. 2012022401**

**Opened: 11/7/12**

**First License Obtained: 3/22/72**

**License Expiration: 3/21/13**

**E&O Expiration: 1/1/13**

**Type of License: Principal Broker**

**History: 2009004832 – Final Order \$5,000 CP, 12 CE, ½ costs**

**2011027691 – Formal Charges Authorized**

**2012001361 – Formal Charges Authorized**

TREC opened complaint based on Respondent's (principal broker) failure to comply with the terms of a Final Order of the Commission. Specifically, Respondent failed to pay the required civil penalty, failed to complete the specified continuing education, and failed to pay half of the court costs – all included as provisions of the Final Order.

Respondent submitted no response to this complaint.

**Recommendation: Consent Order for voluntary surrender of Respondent's license for violating the terms of any lawful order entered by the Commission in violation of T.C.A. § 62-13-312(b)(14) and failing to respond to a complaint filed with the Commission in violation of T.C.A. § 62-13-312(b)(14) and § 62-13-313(a)(2).**

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

Agreed Citation Report November 30, 2012

**Tennessee Real Estate Commission:**

Respondent: Crystal Lynn Burnes, Gatlinburg, TN

Violation: Failure to timely complete required education

Action: \$100 Civil Penalty

Respondent: Hollace R. McKinley, Smyrna, TN

Violation: Failure to timely complete administrative measures (firm renewal)

Action: \$250 Civil Penalty

Respondent: Ronald "Scotty" A. Scott, Jr., Knoxville, TN

Violation: Failure to timely complete required education

Action: \$200 Civil Penalty

Respondent: Thomas "Tom" P. Sturm, LaFollette, TN

Violation: Escrow account violation

Action: \$250 Civil Penalty

State of Tennessee  
Department of Commerce and Insurance  
Division of Regulatory Boards

**TENNESSEE REAL ESTATE COMMISSION OPEN  
CLOSED COMPLAINT REPORT BY STATUS**

**TREC - TOTAL OPEN COMPLAINTS AS OF 11/30/12**

Open Staff - Waiting for Response 9  
Open Staff - Referred to Legal 94

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**Total Open Complaints 103**

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**CLOSED COMPLAINTS - FISCAL YEAR 7/1/2011 - 6/30/2012**

Closed with No Action	118
Referral to Outside Agency	14
Closed with Letter of Warning/Instruction	16
Closed with Consent Order	66
Revocation	6
<b>Total Closed for Year to Present Date</b>	<b>220</b>

**CLOSED COMPLAINTS - FISCAL YEAR 7/1/2012 - 6/30/2013**

Closed with No Action	107
Referral to Outside Agency	1
Closed with Letter of Warning/Instruction	3
Closed with Consent Order	19
Revocation	1
<b>Total Closed for Year to Present Date</b>	<b>131</b>

**ADDITIONAL STATISTICS**  
**11/30/2012**

**TOTAL LICENSEES:**

**INDIVIDUALS**

	11/30/12	11/30/11	11/30/10	11/30/09	11/30/08	Change 11/30/10 - 11/31/12	Change 12/15/99 - 11/30/12	12/15/99	11/30/07
Active	23,735	24,181	26,598	28,305	32,604	<2,863>	<918>	24,653	35,485
Inactive	875	1,631	1,556	2,251	2,518	<681>	<2,182>	3,057	1,405
Retired	9,362	10,134	10,371	10,320	9,471	<1,009>	<2,640>	12,002	10,410
Broker Release	421	542	630	1,166	1,811	<209>			1,041
Vol Term	3,110	2,977*	2,709*	2,448*	2,037*	+401			1,778
GRAND TOTAL	34,393	36,470	39,155	42,042	46,404	<4,762>	<5,319>	39,712	48,341

\*Voluntary terminations not included in grand total. Represents # of licensees who have written TREC requesting that their licenses be terminated prior to expiry date.

**FIRMS**

	11/30/12	11/30/11	11/30/10	11/30/09	11/30/08	Change 11/30/10- 11/30/12
Active	3,995	4,166	4,343	4,470	4,655	<348>
Retired	280	328	334	351	299	<54>
GRAND TOTAL	4,275	4,494	4,677	4,821	4,954	<402>

**LICENSEES RANK(all statuses but retired/inactive)**

Status	10/31/2012	12/15/1999	
Affiliate Broker	16,343	17,051	
Broker	3,644	2,874	
PB One Firm	3,748	3,999 (total)	
PB Two Firms	247	unknown	
Timeshare	994	729	

**SIZE OF FIRMS BASED ON # OF LICENSEES-- PER LIST 10-31-2012**  
(Numbers are Approximate based upon the IS List)

Single	1,551	(39%)
10 or less	1,959	(49%)
11-25	259	( 6.5%)
25-50	103	( 2.5%)
50-100	74	( 2%)
100+	37	( 1%)
TOTAL	3983	

**Average Number of Licenses(individuals) Issued per month (based on a calendar year)**

Year	Licenses Issued(month)	Twelve Month Total
1997	328	3,936
2000	276	3,312
2001	312	3,744
2002	320	3,841
2003	420	5,046
2004	471	5,647
2005	565	6,775
2006	589	7,063
2007	543	6,511
2008	281	3,372
2009	172	2,068

2010	167	2,529
2011	189	2,269
2012	239	2,616(11 months)

Firm Closure/Retd	October	Nov	Total for year	Average @ month
<b>2012</b>	<b>11</b>	<b>16</b>	<b>204</b>	<b>18</b>
2011	27	18	323	29
2010	20	27	272	25
2009	12	23	350	32
2008	14	25	165	15

Apps Appd	Aug	Sept.	Oct	Nov	Year Total	Average @month	Exams Taken	Sept	Oct	Nov	Year Total	Average @month
<b>2012</b>	<b>225</b>	<b>185</b>	<b>203</b>	<b>218</b>	<b>2,394</b>	<b>218</b>	<b>2012</b>	<b>283</b>	<b>273</b>	<b>243</b>	<b>2,870</b>	<b>261</b>
2011	225	216	184	156	2,153	196	2011	209	384	156	2,467	224
2010	219	226	220	172	2,406	219	2010	248	268	247	2,922	266
2009	221	235	119	183	2,348	213	2009	271	261	213	2,899	264
2008	266	293	282	197	3,701	336	2008	478	332	217	4,666	424
2007	526	551	516	289		531	2007	831	693	413	9,093	826
2006	697	572	552	487		607	2006	1,025	1,116	1025	10,849	986

**Individual Licensees Lost/Gained Year to Year 2000-2011**

			Av L/G @ month
2000	36,968		
2001	34,007	<2,961>	<296>
2002	37,847	+3,840	+320
2003	35,951	<1,896>	<158>
2004	41,598	+5,647	+470
2005	42,059	+ 461	+ 38
2006	48,996	+6,937	+578
2007	50,333	+1,337	+114
2008	50,700	+ 367	+ 30
2009	47,980	<2,720>	<226>
2010	38,892	<9,088 >	<757>
2011	36,839	<2,053 >	<205>
2012	34,393	<2,446>	<222>

**TOTAL ALL LICENSES**

LICENSE TYPE	11/30/2012 Total	11/30/2010
Affiliate, Broker, Timeshare	35,013	39,742
Real Estate Firms	4,415	4,776
Rental Location Firm	No Active	No Active
Rental Location Agent	No Active	No Active
TimeShare Registration-Active	54	68
TimeShare Registration-Exempt	135	124
Vacation Lodging Service Firms	141	141
Acquisition Agent Registration	41	41
Acquisition Representative Registration	2,331	2,331
Acquisition Agent License	126	134
Designated Agent—VLS	100	N/A

**TOTALS**      11/30/2012: 42,405      11/30/2009 47,357

**LICENSEE RENEWAL PERCENTAGE**

Expiry Date By Month*	Renewal Notices Sent	Licenses No Renew By 61 <sup>st</sup> Day	% Licenses Did Not Renew		
8/2011	1,889	429	11.8%		
9/2011	1,618	206	11%		
10/2011	3,635	165	11%		
11/2011	1,866	143	14%		
12/2011	1,418	243	15%		
1/2012	1,024	225	15%		
2/2012	1,592	265	16%		
3/2012	1,435	308	17%		
4/2012	1,681	247	15%		
5/2012	1,618	199	12%		
6/2012	1,525	256	16%		
7/2012	1,519	229	15%		
8/2012	1,441	247	17%		

