

# **Terror Stories From The Tennessee Real Estate Commission: The Simple Things You Can Do To Avoid Them**

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## **Some of the most common TREC Violations**

- Failure to timely complete required continuing education
- Engaging in unlicensed activity
- Failing to diligently exercise reasonable skill and care
- Advertising violations
- Failure to adequately supervise the activities of affiliates
- Failure to respond to a complaint filed with the Commission
- Violating the gifts and prizes rule
- Making substantial and willful misrepresentation
- Failing, within a reasonable amount of time, to account for or to remit moneys belonging to others
- Failure to maintain Errors and Omissions insurance
- Failure to timely disburse or interplead earnest money
- Failure to furnish copy of a listing, sale, lease or other contract relevant to a real estate transaction to all signatories of the contract at the time of execution
- An affiliate's acceptance of a commission from someone other than the broker with whom they are affiliated
- Failure to complete and obtain a signed written disclosure agency status form
- Failure to notify the Commission of conviction enumerated within chapter within 60 days of conviction
- Conducting business with an expired real estate firm license
- When a licensee terminates his/her affiliation with a firm, he/she shall neither take nor use any property listings secured through the firm
- Unlicensed vacation lodging service
- Unlicensed property management service
- Timeshare Industry

## **The Complaint Process**

- Who can file a complaint
- How is complaint filed
- Responding to a complaint
- Time allowed to respond to a complaint
- Should you hire legal representation to answer the complaint?
- Job of TREC legal staff
- Duty of TREC commissioners
- If you don't get the result you prefer
- The formal appeals process

## **Possible results of complaints**

- Dismissed
- Letter of instruction
- Letter of warning
- Civil penalties
- Required additional education
- Downgrading of licenses
- Suspending of licenses
- Revocation of licenses

## **The 21 Ways You Can Lose Your License**

### **Modern Perils of Real Estate**

- Advertising as an agent before actually getting your license
- EGO Advertising
- Cameras in Houses
- Wire Fraud
- Social Media

### **Appearing before the Commission in order to get licensed**

- Stolen peanuts & bacon

- The Real Estate Wholesaler
- Fingerprinting- percent of indications
- Broker walking out on agent
- Police coming to meeting
- The New “10 Year” Rule
- The New Fresh Start Act

### **The Silly Complaints**

- Agents serving on HOA boards
- Buyers upset because their offer not accepted
- Mom vs. son regarding family estate
- The mysterious white powder that was found in a buyer’s newly remodeled home
- Agents not getting along in a transaction
- People wanting out of their timeshares
- Time share purchaser “zoning out”
- Time share agents being too pushy
- Buyer’s agent not trying hard enough
- Seller changing out refrigerator
- Buyer wanting earnest money back because wife dies, but now she is feeling better
- Honeymooning at timeshare place and did not mean to purchase timeshare
- Rental cabin with expired fire extinguishers
- Ex-wife files complaint against ex-husband because of social media post by his assistant
- Licensee kicked out of office for not paying office expenses
- Seller complaining over negative feedback from showing agent

### **The Serious Complaints**

- Earnest Money not being returned
- Improper notarizing of documents
- Agent not disclosing ownership of listing
- Improper use of unlicensed assistants

### **Dumb Stuff Agents Do**

- Don't comply with TREC social media rules because she thought everyone knew who she was in real estate.