#### **MINUTES**

## **South Carolina Real Estate Commission**

# Wednesday, December 14, 2016, 10:00am

Synergy Business Park, Kingstree Building, Conference Room 105 110 Centerview Drive, Columbia, South Carolina 29210

# **Meeting Called to Order:**

Chairman Crigler called the meeting of the South Carolina Real Estate Commission to order at 10:00 a.m. Board members participating in this meeting included:

David Crigler – Chair – 4<sup>th</sup> Congressional District
Candace Pratt – 1<sup>st</sup> Congressional District
David C. Lockwood, III, 2<sup>nd</sup> Congressional District
Andy Lee – 3<sup>rd</sup> Congressional District
John Rinehart – 5<sup>th</sup> Congressional District
Janelle Mitchell – 6<sup>th</sup> Congressional District
Tony Cox – 7<sup>th</sup> Congressional District (via teleconference)
Wayne Poplin – At-Large Member
Johnathan Stackhouse – Public Member

Staff members participating during the meeting included Roderick Atkinson, Board Administrator; Wanda Cooke, Administrative Assistant; Georgia Lewis, Office of Advice Counsel; Sharon Wolfe, Office of Investigations and Enforcement.

#### **Public Notice:**

Chairman Crigler announced that public notice of this meeting was properly posted at the S.C. Real Estate Commission Office, Synergy Business Park, Kingstree Building, and provided to all requesting persons, organizations, and news media in compliance with Section 30-4-80 of the South Carolina Freedom of Information Act.

# Pledge of Allegiance:

The Pledge of Allegiance was recited by all present.

### Invocation

Invocation was offered by Mr. Rinehart.

# **Introduction of Board Members and Staff**

Mr. Atkinson introduced Shakera Thomas, who recently joined the Commission staff.

# **Excused Absences**

G. Hamlin O'Kelley - Vice Chair - Public Member

# **MOTION:**

Ms. Pratt made a motion to approve the excused absence of Commissioner O'Kelley. Mr. Cox seconded the motion, which carried unanimously.

# **Approval of Agenda:**

# **MOTION:**

Mr. Poplin made a motion to approve the agenda. Mr. Rinehart seconded the motion, which carried unanimously.

# Approval of the Meeting Minutes from November 16, 2016

### **MOTION:**

Mr. Stackhouse made a motion to approve the minutes of the November 16, 2016 meeting. Ms. Mitchell seconded the motion, which carried unanimously.

# Chairman's Remarks:

David Crigler

# **Administrator's Remarks:**

Rod Atkinson

1. Licensure Update as of December 8, 2016.

•	Broker	5206
•	Broker In Charge	7572
•	Property Manager	1501
•	Property Manager In Charge	1261
•	Salesman	21590
•	Salesman (Provisional)	2252
	TOTAL ACTIVE	39,382
•	Inactive Broker	1660
•	Inactive Property Manager	586
•	Inactive Salesman	5832
	TOTAL INACTIVE	8,078
	AS OF 12/08/2016	47,460

**2. Budget** - The board reviewed the budget reports for November 2016.

# 3. Investigations and Enforcement

Sharon Wolfe presented the Commission with an overview of the opened and closed cases from January 1, 2016 –December 6, 2016, as well as the same time frame for the previous year.

**4. IRC Report -** The Commission reviewed the IRC reports from December 6, 2016.

# **MOTION:**

Mr. Cox made the motion to approve the *Dismissals* portion of the IRC report from December 6, 2016. Ms. Pratt seconded the motion, which carried unanimously.

### **MOTION:**

Ms. Pratt made the motion to approve the *Formal Complaints* portion of the IRC report from December 6, 2016. Mr. Cox seconded the motion, which carried unanimously.

## **MOTION:**

Mr. Rinehart made the motion to approve the *Letter of Caution* portion of the IRC report from December 6, 2016. Ms. Pratt seconded the motion, which carried unanimously.

- **5.** Rowland Alston presented a case overview of the cases pending with the Office of Disciplinary Counsel.
- **6.** 2017 Meeting Dates

### **MOTION:**

Ms. Pratt made a motion to approve the 2017 meeting dates, with the addition of June 21, 2017. Mr. Rinehart seconded the motion, which carried unanimously.

7. PMIC Qualifying Course – The Commission discussed the fact that there are not a sufficient number of instructors offering this class and whether or not this course could be offered online.

## **MOTION:**

Mr. Poplin made a motion to approve the PMIC Qualifying Course for Distance Education, effective January 1, 2017. Mr. Lee seconded the motion, which carried unanimously.

**8.** Instructor Workshop - The Commission voted in a previous meeting to require all instructors to attend a workshop covering the new Real Estate License Law, prior to being able to conduct classes on this subject matter. This workshop is scheduled for January 9, 2017. Instructors have been notified and there have been numerous instructors who have scheduling conflicts with this date. The Commission discussed how to accommodate these individuals.

# **MOTION:**

Mr. Poplin made a motion that all instructors who are unable to attend the License Law Workshop on January 9, 2017, be required to audit a class given by an instructor who has attended the workshop and it is highly recommended that they also view the video of the workshop provided by South Carolina Realtors. Ms. Mitchell seconded the motion, which carried unanimously.

### APPLICATION HEARINGS

# Brittany Brazell

The Commission held an Application Hearing regarding Brittany Brazell. Ms. Brazell appeared before the Commission to present testimony and was not represented by legal counsel. Commissioner Lockwood recused himself from this Hearing. Discussion ensued.

#### **MOTION:**

Ms. Pratt made a motion to allow Ms. Brazell to sit for the real estate sales examination. Mr. Stackhouse seconded the motion, which carried on a 6/1 vote.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

## Paul Allman

The Commission held an Application Hearing regarding Paul Allman. Mr. Allman appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

### **MOTION:**

Mr. Lockwood made a motion to allow Mr. Allman to sit for the property manager's exam. Upon receiving a license, Mr. Allman would not be allowed to upgrade to property manager in charge for one (1) year and would be required to re-appear before the Commission when requesting an upgrade. Mr. Cox seconded the motion. Discussion ensued.

#### **MOTION:**

Ms. Pratt made a motion to enter Executive Session to obtain legal advice. Mr. Lockwood seconded the motion, which carried unanimously.

#### **MOTION:**

Mr. Rinehart made a motion to enter Open Session. Mr. Poplin seconded the motion, which carried unanimously.

Mr. Lockwood requested to withdraw his previous motion.

#### <u>MOTION:</u>

Mr. Lockwood made a motion to allow Mr. Allman to sit for the Property Manager's exam. Upon obtaining a license, Mr. Allman will be on a probationary status for a period of three (3) years. Mr. Allman will be required to wait three (3) years before requesting to upgrade his license to Property Manager in Charge, and would be required to re-appear before the Commission upon request for a license upgrade or to change license classification. Ms. Pratt seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

### Charles McMillan

The Commission held an Application Hearing regarding Charles McMillan. Mr. McMillan appeared before the Commission to present testimony and was not represented by legal counsel. Commissioner Lockwood recused himself from this Hearing. Discussion ensued.

# **MOTION:**

Mr. Cox made a motion to allow Mr. McMillan to sit for the exam. Ms. Mitchell seconded the motion, which carried on a 6/1 vote.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

# Jemel Green

The Commission held an Application Hearing regarding Jemel Green. Mr. Green appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

### **MOTION:**

Mr. Cox made a motion to enter Executive Session to obtain legal advice. Mr. Lee seconded the motion, which carried unanimously.

# **MOTION:**

Ms. Pratt made a motion to enter Open Session. Ms. Mitchell seconded the motion, which carried unanimously.

### **MOTION:**

Mr. Rinehart made a motion to deny the application of Mr. Green to sit for the exam. Ms. Mitchell seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

# Christal King

The Commission held an Application Hearing regarding Christal King. Ms. King appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

#### **MOTION:**

Ms. Pratt made a motion to enter Executive Session to obtain legal advice. Mr. Cox seconded the motion, which carried unanimously.

## **MOTION:**

Mr. Cox made a motion to enter Open Session. Mr. Rinehart seconded the motion, which carried unanimously.

# **MOTION:**

Mr. Lee made a motion to deny Ms. King's application to sit for the exam. Ms. Mitchell seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

# Brandon Littlejohn

The Commission held an Application Hearing regarding Brandon Littlejohn. Mr. Littlejohn appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

### **MOTION:**

Mr. Lockwood made a motion to enter Executive Session to obtain legal advice. Mr. Poplin seconded the motion, which carried unanimously.

## **MOTION:**

Mr. Cox made a motion to enter Open Session. Mr. Lockwood seconded the motion, which carried unanimously.

# **MOTION:**

Mr. Lockwood made a motion to allow Mr. Littlejohn to sit for the real estate sales examination. Mr. Stackhouse seconded the motion, which carried on a 7/1 vote.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

#### Jonathan Hill

The Commission held an Application Hearing regarding Jonathan Hill. Mr. Hill appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

# **MOTION:**

Mr. Lockwood made a motion to allow Mr. Hill to sit for the real estate sales examination. Mr. Stackhouse seconded the motion, which carried on a 6/2 vote.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

## Nequan Martin

The Commission held an Application Hearing regarding Nequan Martin. Mr. Martin appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

## **MOTION:**

Mr. Rinehart made a motion to deny Mr. Martin's request to sit for the real estate sales examination. Ms. Mitchell seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

#### Eric Anderson

The Commission held an Application Hearing regarding Eric Anderson. Mr. Anderson appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

### **MOTION:**

Mr. Rinehart made a motion to allow Mr. Anderson to sit for the real estate sales examination. Mr. Lockwood seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

### UNFINISHED BUSINESS

# 1. Broker Responsibility Course – Dianna Brouthers

Dianna Brouthers presented the results of the Task Force that designed the new Broker in Charge Duties and Responsibilities course. A copy of the entire package was given to each member of the Commission for review. The Commission acknowledged Dianna and the Task Force for their excellent job on this task. Discussion ensued.

#### **MOTION:**

Mr. Cox made a motion to approve the new Broker in Charge Duties and Responsibilities course. Mr. Lockwood seconded the motion, which carried unanimously.

### 2. Transaction Broker

Dianna Brouthers addressed the Commission regarding additional concerns raised regarding the interpretation from the November 16, 2016 Commission meeting of when a "transaction broker" relationship and the duty of limited confidentiality begins. Discussion ensued.

## **MOTION:**

Mr. Lockwood made a motion to revise the SC Disclosure for Broker Relationships to add "provide limited confidentiality" under basic duties, and delete "or to keep your bargaining information confidential unless a transaction broker agreement obligates the brokerage firm otherwise". Mr. Lee seconded the motion, which carried unanimously.

#### **MOTION:**

Mr. Rinehart made a motion that Transaction Broker duties shall be default, and limited confidentiality is due at first substantive contact. Further, no transaction broker agreement needs to be executed. Mr. Lee seconded the motion, which carried unanimously.

# 3. **Disputed Trust Funds**

Mr. Atkinson discussed problems arising between the buyer and seller concerning the entitlement to and disposition of an earnest money deposit. The IRC Committee is asking for direction concerning when the Commission wants to hear these types of disputes. Discussion ensued.

# **NEW BUSINESS**

# 1. Election of Officers

### **MOTION:**

Mr. Cox made a motion to re-elect Chairman Crigler for another term as Chair. Mr. Rinehart seconded the motion, which carried unanimously.

# **MOTION:**

Ms. Pratt made a motion to re-elect Vice Chairman O'Kelley for another term as Vice Chair. Mr. Cox seconded the motion, which carried unanimously.

## **PUBLIC COMMENTS**

Austin Smallwood addressed the Commission briefly to discuss a few areas of concern.

# **MOTION:**

Mr. Lee made a motion that the SC Disclosure of Real Estate Brokerage Relationships should be given to all new and existing clients and customers, effective January 1, 2017. Mr. Rinehart seconded the motion, which carried unanimously.

# **MOTION:**

Mr. Poplin made a motion to adjourn at 4:05 p.m. Mr. Cox seconded, which carried unanimously.