

1 **MINUTES**

2 **South Carolina Real Estate Commission**  
3 **Synergy Business Park, Kingstree Building,**  
4 **110 Centerview Drive, Columbia, South Carolina 29210**  
5 **Wednesday, July 13, 2022, 10:00 a.m.**

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7 **Meeting Called to Order**  
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9 Chairman Lee called the meeting of the South Carolina Real Estate Commission to order  
10 at 10:04 a.m. and announced that public notice of this meeting had been properly posted  
11 at the S.C. Real Estate Commission Office, Synergy Business Park, Kingstree Building,  
12 the Commission’s website, and was provided to all requesting persons, organizations, and  
13 news media in compliance with Section 30-4-80 of the South Carolina Freedom of  
14 Information Act.

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16 **Invocation**  
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18 Mr. Rinehart gave the invocation.  
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20 **Pledge of Allegiance**  
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22 The Pledge of Allegiance was recited by all present.  
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24 **Introduction of Commission Members and Staff**  
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26 Commission Members and staff present at the meeting included:  
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28 **Commission Members**  
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30 William “Andy” Lee - Chair - 3<sup>rd</sup> Congressional District  
31 Candace Pratt – 1<sup>st</sup> Congressional District  
32 David Burnett - 4<sup>th</sup> Congressional District  
33 John Rinehart - 5<sup>th</sup> Congressional District  
34 W. Brown Bethune – 7<sup>th</sup> Congressional District  
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36 **Staff Members**  
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38 Robbie Boland, LLR Assistant Deputy Director/Interim Real Estate Commission  
39 Administrator  
40 Kyle Tennis, Office of Advice Counsel  
41 Rowland Alston, Office of Disciplinary Counsel  
42 Kim Long, Office of Disciplinary Counsel  
43 Alice Douglas, Office of Disciplinary Counsel  
44 James Kemfort, Office of Investigations and Enforcement  
45 Rosa McCoy, Office of Investigations and Enforcement

46 Michael “Doc” Smith, Office of Investigations and Enforcement  
47 Wattie Wharton, Office of Investigations and Enforcement  
48 Shaun Strother, Administrative Assistant

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50 **Approval of Excused Absences**

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52 **MOTION**

53 On the motion of Mr. Bethune, seconded by Ms. Pratt, the Commission voted unanimously  
54 to approve the absences of Commissioners David C. Lockwood, Janelle Mitchell,  
55 Johnathan Stackhouse and Gary A. Pickren. The motion passed.

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57 **Approval of Agenda**

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59 **MOTION**

60 On the motion of Mr. Bethune, seconded by Mr. Rinehart, the Commission voted  
61 unanimously to amend the agenda as follows: defer the approval of the June 15, 2022  
62 meeting minutes until the next meeting and combine the Rowley, True, and Case  
63 disciplinary hearings into one hearing moving them first ahead of the Karoly matter. The  
64 motion passed.

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66 **Approval of Minutes – June 15, 2022**

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68 **MOTION**

69 See above motion wherein this matter was deferred.

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71 **Chair’s Remarks – William “Andy” Lee**

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73 Chairman Lee addressed the Commission regarding potentially problematic situations  
74 wherein a licensee has homeowners enter into listing agreements that last for years or even  
75 decades into the future with the understanding that by doing so, the licensee is ensuring a  
76 future commission if and when the homeowners eventually list their homes. Austin  
77 Smallwood with the South Carolina Association of Realtors also addressed the  
78 Commission on this issue. Mr. Rinehart asked for this to be added to new business at the  
79 next meeting and have advice counsel look into this issue.

80  
81 **Administrator’s Remarks - Robbie Boland**

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83 Mr. Boland presented the Office of Disciplinary Counsel (ODC) Case Report as of  
84 June 27, 2022, for informational purposes only.

85  
86 **Disciplinary Hearings**

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88 **1. Aaron B. Rowley, John W. True, and Brent Case**

89  
90 The purpose of this hearing was to consider the Memoranda of Agreement (MOAs) for  
91 Case Numbers 2020-564, 2020-563 and 2020-562. Chairman Lee opened the disciplinary  
92 hearing. All respondents, Aaron B. Rowley, John W. True, and Brent Case were present,  
93 sworn in, and were represented by Hal Cobb, Esquire.

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The parties agreed to consolidate all three cases because they shared the same controversy and basic set of facts. Accordingly, the Commission allowed for these to be heard together.

After opening statements were made, Mr. Alston, with the Office of Disciplinary Counsel presented the State’s cases. Respondents and their counsel presented their cases and answered questions posed by the Commission.

At the conclusion of the hearing, the following actions were taken:

**MOTION**

On the motion of Mr. Bethune, seconded by Mr. Burnett, the Commission voted unanimously in favor to enter into Executive Session for the purpose of receiving legal advice.

**Executive Session – Convened (No Votes Were Taken During This Time)**

**MOTION**

On the motion of Mr. Bethune, seconded by Mr. Burnett, the Commission voted unanimously in favor to exit from Executive Session where legal advice was received, and no votes were taken.

**Comfort Break**

**MOTION**

On the motion of Mr. Rinehart, seconded by Mr. Bethune, the Commission voted unanimously as follows:

All three MOAs were accepted, with all three Respondents being issued public reprimands. With respect to True and Rowley, they were ordered to take each take a 4-hour agency law course within 6 months of the date the final order is issued. With respect to Case, he was ordered to take a 4-hour BIC duties and responsibilities within 6 months of the date the final order is issued.

**Lunch Break**

**2. William E. Chestnut**

At 2:58pm during a break in the Karoly matter, this matter was continued due to time constraints and Respondent not being present.

**3. Joseph J. Karoly (Formal Complaint)**

The purpose of this hearing was to consider the Amended Formal Complaint’s allegations for Case Number 2020-415. Chairman Lee opened the disciplinary hearing. The respondent, Joseph J. Karoly was present and represented by S. Jahue (Jake) Moore.

After opening statements were made and a pre-hearing motion was argued, the following

142 action took place:

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144 **MOTION**

145 On the motion of Ms. Pratt, seconded by Mr. Bethune, the Commission voted  
146 unanimously in favor to enter into Executive Session for the purpose of receiving legal  
147 advice.

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149 **Executive Session – Convened (No Votes Were Taken During This Time)**

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151 **MOTION**

152 On the motion of Mr. Burnett, seconded by Mr. Bethune, the Commission voted  
153 unanimously in favor to exit from Executive Session where legal advice was received,  
154 and no votes were taken.

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156 Chair Lee stated for the record that the preponderance of the evidence standard applies to  
157 the present matter, as it is an administrative law hearing.

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159 Mr. Alston, with the Office of Disciplinary Counsel then presented the State’s case. In  
160 doing so, the State called Steve Rogers, Jonathan Howell, and Investigator Smith, who  
161 were sworn in as witnesses.

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163 **MOTION**

164 On the motion of Mr. Burnett, seconded by Mr. Rinehart, the Commission voted  
165 unanimously in favor to enter into Executive Session for the purpose of receiving legal  
166 advice.

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168 **Executive Session – Convened (No Votes Were Taken During This Time)**

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170 **MOTION**

171 On the motion of Mr. Burnett, seconded by Mr. Bethune, the Commission voted  
172 unanimously in favor to exit from Executive Session where legal advice was received, and  
173 no votes were taken.

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175 The State continued to present its case-in-chief, after which time Respondent argued his  
176 case. In doing so, Respondent was sworn in to testify and answer the Commission’s  
177 questions.

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179 **MOTION**

180 On the motion of Mr. Burnett, seconded by Ms. Pratt, the Commission voted  
181 unanimously in favor to enter into Executive Session for the purpose of receiving legal  
182 advice.

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184 **Executive Session – Convened (No Votes Were Taken During This Time)**

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186 **MOTION**

187 On the motion of Burnett, seconded by Mr. Bethune, the Commission voted  
188 unanimously in favor to exit from Executive Session where legal advice was received,  
189 and no votes were taken.

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**Comfort Break**

Both the State and Respondent made closing arguments.

**MOTION**

On the motion of Ms. Rinehart, seconded by Mr. Burnett, the Commission voted unanimously in favor to enter into Executive Session for the purpose of receiving legal advice.

**Executive Session – Convened (No Votes Were Taken During This Time)**

**MOTION**

On the motion of Ms. Pratt, seconded by Mr. Bethune, the Commission voted unanimously in favor to exit from Executive Session where legal advice was received, and no votes were taken.

**MOTION**

On the motion of Mr. Burnett, seconded by Mr. Bethune, the Commission voted unanimously as follows:

The State had proven all four violations as alleged in the Amended Formal Complaint. Accordingly, the Commission ordered that:

- Respondent be issued a public reprimand;
- Respondent pay a fine of \$2,000 payable within 60 days of the date the final order is issued;
- Respondent’s license is restricted from that of a broker-in-charge to a broker, effective 30 days from the date the final order is issued;
- Respondent will need to take the salesman pre-licensing class and necessary education required to be a broker, as identified in SC Code Ann. 40-57-320(A)(2)(a) (specifically, he must complete one hundred fifty hours of commission-approved real estate classroom instruction, ninety of which may be the hours required for a salesperson license, to include completion of the thirty hour Unit III A Broker Management and of the thirty hour Unit III B Brokerage Principles courses in advanced real estate principles and practices) within six months of the date of the final order; and
- Respondent cannot upgrade his license back to a broker-in-charge within 24 months of the date of the final order. Failure to comply with any of these requirements or restrictions by the effective timeframes provided will result in Respondent’s license being immediately suspended.

**MOTION**

On the motion of Ms. Pratt, seconded by Mr. Rinehart, the Commission voted unanimously to defer the following Old Business and New Business items on the agenda to a later Commission meeting due to the late hour.

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**Old Business**

**1. Wholesaling**

**New Business**

- 1. SC Vacation Rental Act and Disclosure Statements**
- 2. Handling Earnest Money**
- 3. CE Broker**
- 4. Regulatory Review**

**Public Comments:**

There were no public comments presented.

**Adjournment:**

**MOTION**

On the motion of Ms. Pratt, seconded by Mr. Rinehart, the Commission voted unanimously in favor to adjourn. There being no other business, the meeting was adjourned at 7:42 p.m.