

**South Carolina Real Estate Commission  
Meeting Minutes**

Wednesday, December 14, 2022 at 10:00 am  
110 Centerview Dr. Kingtree Building, Room 105  
Columbia, South Carolina

Public notice of this meeting was properly posted at the S.C. Real Estate Commission Office, Synergy Business Park, Kingtree Building, Commission website, 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.

**Commission Members Present:**

William “Andy” Lee, Chair – 3<sup>rd</sup> Congressional District  
John Rinehart, Vice Chair – 5<sup>th</sup> Congressional District  
Janelle Mitchell – 6<sup>th</sup> Congressional District  
W. Brown Bethune – 7<sup>th</sup> Congressional District  
Gary A. Pickren – At-Large Member  
Jonathan Stackhouse – Public Member

**SCLLR STAFF PRESENT:**

Kyle Tennis, Esq., Office of Advice Counsel  
Meredith Buttler, Administrator  
Ashlynn Kirk, Administrative Coordinator  
Joi Middleton, Education Manager  
Rowland Alston, Esq., Office of Disciplinary Counsel  
Chuck Waters, Office of Investigations and Enforcement  
James Kemfort, Office of Investigations and Enforcement  
Michael “Doc” Smith, Office of Investigations and Enforcement  
Rosa McCoy, Office of Investigations and Enforcement  
Wattie Wharton, Office of Investigations and Enforcement  
Kim Long, Office of Disciplinary Counsel

**PRESENT:**

Cortney Glover, Court Reporter  
Austin Smallwood, SCR  
Luis Torres  
Brian Boger, Esq.  
John Smith  
Jae Kim  
Alex Imgrund, Esq.  
Madison Ballagh  
William Chestnut (not present at time of hearing)

**CALLED TO ORDER:** Mr. Lee, Chair, called the meeting to order at 10:05 am.

## **INVOCATION**

Ms. Mitchell gave the invocation.

## **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited by all present.

## **INTRODUCTION OF COMMISSION MEMBERS AND STAFF**

Commission members and staff introduced themselves.

## **APPROVAL OF EXCUSED ABSENCES**

**Motion:** To approve the absences for Mr. Burnett and Ms. Pratt.

Moved by Mr. Bethune and seconded by Mr. Rinehart, the motion carried by unanimous vote.

## **APPROVAL OF AGENDA**

**Motion:** To approve the agenda.

Moved by Mr. Bethune and seconded by Mr. Pickren, the motion carried by unanimous vote.

## **APPROVAL OF MEETING MINUTES**

**Motion:** To approve the November 16, 2022 Commission Meeting minutes.

Moved by Mr. Rinehart and seconded by Mr. Pickren, the motion carried by unanimous vote.

**Motion:** To approve the November 7, 2022 Education Taskforce Meeting minutes.

Moved by Mr. Pickren and seconded by Mr. Bethune, the motion carried by unanimous vote.

**Motion:** To approve the November 8, 2022 Finance Taskforce Meeting minutes.

Moved by Mr. Pickren and seconded by Ms. Mitchell, the motion carried by unanimous vote.

**Motion:** To approve the November 28, 2022 Wholesaling Taskforce Meeting minutes.

Moved by Mr. Pickren and seconded by Ms. Mitchell, the motion carried by unanimous vote.

## **CHAIRMAN'S REMARKS**

Chairman Lee stated the issue of short-term rentals as part of the residential property disclosure statement will be discussed at the January administrative day meeting.

## **STAFF REPORTS**

### a. Office of Investigations and Enforcement (OIE) Report

Mr. Kemfort reported that from January 1, 2022, to December 12, 2022, to date 869 complaints have been filed. OIE currently has 80 active cases and 169 cases have been closed during that time period.

b. Investigative Review Committee (IRC) Report

Mr. Kemfort reported the IRC and professional members met on December 6, 2022 via teleconference. The IRC recommends the following: 12 cases for dismissals, 4 cases for Letters of Caution, 1 case for dismissal with a cease and desist, and 17 formal complaints.

**Motion:** To accept IRC recommendations as presented.

Moved by Mr. Rinehart and seconded by Mr. Pickren, the motion carried by unanimous vote.

c. Office of Disciplinary Counsel (ODC) Report

Mr. Alston reported as of November 14, 2022, there are 54 open cases of which 27 are pending hearings and agreements, 0 pending closure, 4 cases have been closed since last reported, and 41 have been closed since January 1, 2022.

d. Administrator Report

Mrs. Buttler reported there are currently 7,361 active Broker-in-Charge licensees with 359 in active-in-renewal status; 4,861 active Broker licensees with 187 in active-in-renewal status; 32,721 active Salesperson licensees with 973 in active-in-renewal status; 18 inactive Salesperson licensees with 1,874 in active-in-renewal status; 1,375 active Property Manager-in-Charge licensees with 118 in active-in-renewal status; 1,684 Property Manager Licensees with 97 in active-in-renewal status. The Commission was also presented the totals for Timeshare Salesperson Registrants, Real Estate or Property Manager Office registrations, and registration numbers for Real Estate Schools and Instructors.

The Commission's current account balance as of November 30, 2022, is \$7,658,163.36. Also included in the meeting materials is the cash balance report for the Education and Research fund as well as the Timeshare fund.

Mrs. Buttler stated the Education, Finance and Wholesaling taskforces met in November and December. A full report from these taskforces will be provided at the January 19, 2023 Administrative Day meeting.

Mrs. Buttler provided a reminder to the Commissioners that Ms. Kirk sent out an email a week ago regarding the DMV's offering of specialty license plates for the Commissioners. If Commissioners would like a specialty plate, please contact Ms. Kirk by Friday, December 16, 2022.

Mrs. Buttler introduced Ms. Joi Middleton, the Real Estate Commission Education Manager. In previous meetings, the Commission indicated they would like to receive an education report and wanted to take a few moment to get some direction as to the specific information they would like reported at future meetings. Commissioners asked Ms. Middleton if there were any education trends in the area of licensing including the average of new applicants and trends in the pass/fail rate of the exams. Commissioners

also requested that the Education Taskforce look into CCIM for Continuing Education. Ms. Middleton reported a decline in examinations pass/fail rates in recent years and that the Education Taskforce is looking into the contributing factors. Ms. Middleton additionally reported there has also been a noticeable increase in applicants applying for licensure.

Commissioners also expressed an interest in knowing the pass/fail rate in examination pre-Covid and the pass/fail rate of the schools as well. Mrs. Buttler reported following corrections to PSI data collection, this report will be made available.

Chariman Lee asked Ms. Middleton for an overview regarding the process of instructors and course qualifications, as well as the process of creating courses be presented on the Administrative day in January.

Commissioner Bethune inquired if the Commission is allowed to invest Commission funds for further profit in good steward of the dollars and get a return. Mrs. Buttler will ask Finance and report back to the Commission.

## **NEW BUSINESS**

- a. Remote Proctoring for Pre-Licensing Course Exams  
Earlier in 2022 the Commission approved an extension to remote proctoring of the final exam for pre-licensing courses to December 31, 2022.  
Mrs. Buttler requested clarification as to whether the deadline is to be upheld or further extended; current regulations do allow for this deadline to be extended.

**Motion:** To extend the allowance of remote proctoring of the pre-licensing course final exam for an additional 6 months.

Moved by Mr. Bethune and seconded by Mr. Stackhouse, the motion carried by unanimous vote.

- b. Position Statement on The Practice of Wholesaling- John Rinehart  
Mr. Rinehart stated that the Wholesaling Taskforce met via teleconference on November 28, 2022 to discuss issues and the practice of wholesaling. One of the items the Taskforce would like to pursue is the development of a position statement on the practice of wholesaling. The Taskforce believes the development of a position statement will lay the groundwork required to properly address this issue. It is anticipated that the process of developing the position statement will assist the Taskforce and Commission in identifying the need for potential statutory changes and/or new regulations as well as provide parameters for the future development of Wholesaling Guidelines for the benefit of licensees and the protection of the public.  
On behalf of the Wholesaling Taskforce, Mr. Rinehart requested the Commission consider approval of the development of a position statement. If approved, the Taskforce would be responsible for drafting the statement and bringing it back before the Commission for review and approval at a later date.

**Motion:** To approved the development of a position statement on the practice of wholesaling.

Moved by Mr. Bethune and seconded by Ms. Mitchell, the motion carried by unanimous vote.

## **DISCIPLINARY HEARINGS**

a. 2021-662 – Madison Ballagh

Mr. Ballagh appeared before the Commission and was represented by Mr. Alexander Imgrund, Esq. [REDACTED] served as witness of the State. Both the witness and the respondent were sworn in. Disciplinary hearings are recorded by a certified court reporter in the event a verbatim transcript is necessary.

**Motion:** To enter into closed session.

Moved by Mr. Rinehart and seconded by Ms. Mitchell, the motion carried by unanimous vote.

**Motion:** To enter into executive session for legal advice.

Moved by Mr. Stackhouse and seconded by Ms. Mitchell, the motion carried by unanimous vote.

**Motion:** To return to closed session and for the minutes to reflect no votes were taken during executive session.

Moved by Mr. Rinehart and seconded by Ms. Mitchell, the motion carried by unanimous vote.

**Motion:** To enter into executive session for legal advice.

Moved by Mr. Rinehart and seconded by Mr. Bethune, the motion carried by unanimous vote.

**Motion:** To return to closed session and for the minutes to reflect no votes were taken during executive session.

Moved by Mr. Bethune and seconded by Mr. Rinehart, the motion carried by unanimous vote.

**Motion:** Based upon the Memorandum of Agreement presented, the Commission found that the State has met the burden of proving that the Respondent was in violation of S.C. Code Ann. § 40-1-110(1)(f)(2011) and ordered Respondent's license be revoked.

Moved by Mr. Bethune and seconded by Mr. Rinehart, the motion carried by unanimous vote.

**Motion:** To return to open session.

Moved by Mr. Bethune and seconded by Mr. Rinehart, the motion carried by unanimous vote.

- b. 2018-366, 2019-287, 2020-559 – Todara Belton  
Mr. Belton did not appear before the Commission despite being properly noticed. The Commission found that the State properly noticed him for the hearing and allowed the disciplinary hearing to proceed. Ms. Kim Long and Mr. Luis Torres served as witnesses of the State and were sworn in. Disciplinary hearings are recorded by a certified court reporter in the event a verbatim transcript is necessary.

**Motion:** To enter into executive session for legal advice.

Moved by Mr. Bethune and seconded by Mr. Pickren, the motion carried by unanimous vote.

**Motion:** To return to public session and for the minutes to reflect no votes were taken during executive session.

Moved by Mr. Pickren and seconded by Ms. Mitchell, the motion carried by unanimous vote.

Upon the motion of the State, the Commission approved for Case No. 2018-510 against Belton and Case No. 2019-29 against William Chestnut to be combined as they are companion cases stemming from the same controversy.

- c. 2018-510 Todara Belton and 2019-29 – William Chestnut  
Mr. Chestnut did not appear before the Commission despite being properly noticed. The Commission found that the State properly noticed him for the hearing and allowed the disciplinary hearing to proceed. It was noted for the record that Mr. Chestnut did sign and was present at the beginning of the meeting, but that he was not present at the call of the hearing. Ms. Kim Long and Mr. James Kemfort served as witnesses of the State and were sworn in. Disciplinary hearings are recorded by a certified court reporter in the event a verbatim transcript is necessary.

**Motion:** To enter into executive session for legal advice.

Moved by Mr. Bethune and seconded by Ms. Mitchell, the motion carried by unanimous vote.

**Motion:** To return to public session and for the minutes to reflect no votes were taken during executive session.

Moved by Mr. Rinehart and seconded by Mr. Bethune, the motion carried by unanimous vote.

**Motion:** The Commission found that the State has met the burden of proving that Respondent Todara Belton was in violation of the following:

With respect to Case No. 2018-366, the State has proven Respondent violated S.C. Code Ann. § 40-57-710(A)(5) (Supp. 2017), S.C. Code Ann. § 40-57-710(A)(11)(Supp. 2017), and S.C. Code Ann. § 40-57-710(A)(25)(Supp. 2017). The Commission ordered that Responded pay a \$1,000 fine for all three violations.

With respect to Case No. 2018-510, the State has proven Respondent violated S.C. Code Ann. § 40-57-710(A)(5) (Supp. 2017), S.C. Code Ann. § 40-57-710(A)(21) (Supp. 2017), which Respondent violated the specific following provisions: S.C. Code Ann. § 40-57-135(A)(1) (Supp. 2017), S.C. Code Ann. § 40-57-135(A)(3) (Supp. 2017), and S.C. Code Ann. § 40-57-135(E)(1) (Supp. 2017). The Commission ordered that the Respondent pay \$1,000 fine for the first violation and \$5,000 fine for the second violation.

With respect to Case No. 2019-287, the State has proven Respondent violated S.C. Code Ann. § 40-57-710(A)(5) (Supp. 2017), S.C. Code Ann. § 40-57-710(A)(21) (Supp. 2017), in that Respondent violated S.C. Code Ann. § 40-57-135(E)(1) (Supp. 2017), and S.C. Code Ann. § 40-57-710(A)(25) (Supp. 2017). The Commission ordered that the Respondent pay \$1,000 fine for the first violation, \$2,500 fine for the second violation, and \$1,000 fine for the third violation.

With respect to Case No. 2020-559, the State has proven Respondent violated S.C. Code Ann. § 40-57-710(A)(5) (Supp. 2017), S.C. Code Ann. § 40-57-710(A)(11) (Supp. 2017), and S.C. Code Ann. § 40-57-710(A)(25) (Supp. 2017). The Commission ordered that the Respondent pay \$1,000 fine for the first violation, \$2,500 fine for the second violation, and \$1,500 fine for the third violation.

The Commission ordered that Respondent's broker-in-charge license be revoked and imposed a total penalty of \$18,500 fine to be paid within 90 days from the date of the final order.

Moved by Mr. Pickren and seconded by Mr. Bethune, the motion carried by unanimous vote.

**Motion:** The Commission found that the State has met the burden of proving that Respondent William Chestnut was in violation of the following:

With respect to Case No. 2019-29, the State has proven Respondent violated S.C. Code Ann. § 40-1-110(1)(b) (2011), S.C. Code Ann. § 40-1-110(1)(f) (2011), S.C. Code Ann. § 40-57-710(A)(2) (Supp. 2017), S.C. Code Ann. § 40-57-710(A)(5) (Supp. 2017), S.C. Code Ann. § 40-57-710(A)(21) (Supp. 2017), specifically by violating S.C. Code Ann. § 40-57-135(C)(3) (Supp. 2017) and S.C. Code Ann. § 40-57-135(F)(1) (Supp. 2017). The Commission ordered that the Respondent pay \$1,000 fine for the first violation, \$1,000 fine for the second violation, \$5,000 fine for the third violation, \$5,000 fine for the fourth violation, and \$1,500 fine for the fifth violation.

The Commission ordered that Respondent's salesperson license be revoked and imposed a total penalty of \$13,500 fine to be paid within 90 days from the date of the final order.

Moved by Mr. Pickren and seconded by Mr. Bethune, the motion carried by unanimous vote.

## **EXECUTIVE SESSION**

Executive session was not needed.

## **PUBLIC COMMENTS**

Austin Smallwood representing SCR requested guidance on how best to direct licensees who are contacting them regarding the status of their background checks.

Mrs. Buttler stated that SCR can refer licensees to the SC REC LLR staff. As directed in the email sent earlier in the week, licensees will need to submit proof that they have attempted to have their fingerprinting done. Documents may be emailed into the Commission office.

Documentation showing a TCN or TCR number is requested. Staff will work with licensees who submit proof of registration. Licensees can contact IdentoGo and obtain the TCN numbers as well.

Following the January deadline, LLR staff will contact licensees whose fingerprinting results have not been received and will communicate with them before making the licenses inactive. Licensees have received numerous communications from LLR regarding the fingerprinting background check.

Mr. Smallwood stated during their stakeholder and member meeting there was interest in adding more information regarding flood insurance and flood damage to the property disclosure form. Before meeting with the legislative committee, SCR wished to share a few of the ideas with the Commission and requested discussion at the January meeting.

Mr. Pickren explained, regarding adding to the property disclosure, there is a statute that governs what must be included in the disclosure. Mr. Pickren also stated that including items beyond what is outlined in legislation is against statute. Mr. Smallwood was invited to relay the items SCR wishes to be discussed are: Twenty-three (23) add a line regarding flood designation, Twenty-four (24) add line for flood insurance and if so, what type of flood insurance (private or public, etc.), Twenty-five (25) FEMA claims on the property—simply amending it to include public/private insurance and claims, and Twenty-six (26) adding any new repairs and what repairs were made. The Commission agreed to add the item for discussion to the January agenda.

Mr. Bethune asked, regarding VRBO-ARBO, if the Commission was able to task one of the taskforces to study consideration for VRBO required to have a property manager. Chairman Lee explained that would be a statutory issue and would need to be brought to legislature via SCR. Mr. Rinehart shared that in his community a study is being conducted study at the city level. He explained that other cities could do the same, so that the information can be brought up to legislature.

Mr. Tennis informed the Commission that Katie Phillips, Director of Government Affairs, will report to the Commission in January and will have information regarding any pre-filed and filed legislation.



**ADJOURNMENT**

**Motion:** To adjourn.

Moved by Mr. Bethune and seconded by Mr. Stackhouse, the motion carried by unanimous vote.

The meeting adjourned at 3:28 pm.