

**South Carolina Real Estate Commission  
Meeting Minutes**

Wednesday, December 11, 2024 at 10:00 am  
110 Centerview Dr., Kingstree Building, Upstate Conference Room  
Columbia, South Carolina 29210

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

**Commissioners Present:**

John Rinehart, Chair – 5<sup>th</sup> Congressional District  
David Burnett, Vice-Chair – 4<sup>th</sup> Congressional District  
Candace Pratt – 1<sup>st</sup> Congressional District  
William “Andy” Lee – 3<sup>rd</sup> Congressional District  
Janelle Mitchell – 6<sup>th</sup> Congressional District  
W. Brown Bethune – 7<sup>th</sup> Congressional District  
Gary A. Pickren, Esq. – At-Large Member  
Johnathan Stackhouse – Public Member

**SCLLR STAFF PRESENT:**

Erica Wade, Commission Executive  
Ashlynn Brown, Administrative Coordinator  
Brandy Duncan, Esq., Office of Advice Counsel  
Carolyn Sutherland, Esq., Office of Advice Counsel  
Meredith Buttler, Program Director  
Joi Middleton, Education Manager  
Erin Baldwin, Esq., Office of Disciplinary Counsel  
Shannon Davis, Esq., Office of Disciplinary Counsel  
Rowland Alston, Esq., Office of Disciplinary Counsel  
Kim Long, Office of Disciplinary Counsel  
Wattie Wharton, Lead Investigator Office of Investigations and Enforcement  
Chuck Waters, Office of Investigations and Enforcement  
Chuck Turkal, Office of Investigations and Enforcement  
Jennifer Farmer, Office of Investigations and Enforcement  
Eboni Best, Administrative Coordinator  
Jennifer Stillwell, Chief Inspector, Office of Investigations and Enforcement

**PRESENT:**

Robin Reibold, Court Reporter  
Austin Smallwood, Esq., SCR  
Mira Smith  
Myisha Hoyle

**CALLED TO ORDER:** Mr. Rinehart called the meeting to order at 10:00 a.m.

## **INVOCATION**

Mrs. Mitchell gave the invocation.

## **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited by all present.

## **INTRODUCTION OF COMMISSIONERS AND STAFF**

Commissioners and staff introduced themselves.

## **APPROVAL OF EXCUSED ABSENCES**

**Motion:** To approve the absence of Allen Wilkerson.

Mr. Stackhouse made a motion to approve, which was seconded by Mr. Lee. The motion carried by unanimous vote.

## **APPROVAL OF AGENDA**

**Motion:** To approve the agenda with the amendment to place topic 11a. to after Chairman Remarks.

Mr. Burnett made a motion to approve, which was seconded by Mrs. Pratt. The motion was carried by unanimous vote.

## **APPROVAL OF MEETING MINUTES**

**Motion:** To approve the November 13, 2024 meeting minutes.

Mr. Lee made a motion to approve, which was seconded by Mr. Bethune. The motion carried by unanimous vote. Mr. Pickren and Mrs. Pratt abstained from voting due to not being present at the November 13, 2024 meeting.

**Motion:** To approve the November 14, 2024 meeting minutes with amendments.

Mr. Burnett made a motion to approve, which was seconded by Mr. Lee. The motion carried by unanimous vote. Mr. Pickren and Mrs. Pratt abstained from voting due to not being present at the November 14, 2024 meeting.

## **CHAIRMAN'S REMARKS**

Mr. Rinehart advised that an e-blast was sent to all licensees regarding the wholesaling guidance document and showing agents' alert. Licensees should regularly check the Commission website for updates and alerts. Mr. Rinehart introduced the new advice counsel for the Commission, Brandy Duncan. On behalf of the Commission, Mr. Rinehart thanked Carolyn Sutherland for all her work as the former advice counsel for the Commission.

## **NEW BUSINESS**

- a. Proposed revisions to the Disclosure of Brokerage Relationships Form

Mrs. Duncan stated that the previous proposed revisions that were approved have been added to the form. There is one new proposed change to the form for the Commission to consider.

**Motion:** To enter into executive session for legal advice where no votes will be taken.  
Moved by Mr. Lee and seconded by Mr. Pickren, the motion carried by unanimous vote.

**Motion:** To exit executive session and return to public session.  
Moved by Mr. Stackhouse and seconded by Mrs. Pratt, the motion carried by unanimous vote.

**Motion:** To approve the proposed revisions with amendments.  
Moved by Mr. Burnett and seconded by Mr. Lee, Mr. Pickren abstained from voting, the motion carried by unanimous vote.

## STAFF REPORTS

a. Office of Investigations and Enforcement (OIE) Report

Mr. Wharton reported that from January 1, 2024, to December 4, 2024, 861 complaints have been filed. OIE currently has 257 active investigations and 171 cases have been closed during that time period.

b. Investigative Review Conference (IRC) Report

Mr. Wharton reported that the IRC met on November 26, 2024, via WebEx. The IRC recommends the following: 17 cases for dismissal, 1 case for a letter of caution, 3 cases for Cease and Desist, and 2 formal complaints.

With regards to the letter of caution for case 2023-509, Mr. Pickren requested more information about the square footage error and inquired what are adequate standards? Mrs. Baldwin stated that the licensee had reviewed County records for the square footage of the home, this case was not seen to require discipline. Mr. Lee commented that licensees should follow appraiser guidelines for standards, and check multiple resources to ensure the information they are providing the public is accurate. Mr. Rinehart stated that it is the due diligence of the licensee to measure the square footage or hire professionals to measure the square footage.

In the case 2024-609, where the listing agent refused to release clients from the listing agreement unless the listing agent was compensated for expenses, Mr. Pickren wanted to state that a listing agreement is a bilateral contract; meaning a contract where it is between two parties, both parties need to agree to cancel a contract.

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

Mrs. Pratt made a motion to accept the IRC recommendations as presented, which was seconded by Mr. Lee. The motion was carried by unanimous vote. Mr. Pickren abstained from any cases involving wholesaling.

c. Office of Disciplinary Counsel (ODC) Report

Mrs. Baldwin reported as of November 13, 2024, there are 46 open cases of which 8 are pending hearings and agreements, 1 pending closure, 0 appeals, and 3 have been closed since the last report.

d. Board Executive Report

Mrs. Wade reported there are currently 7,279 active broker-in-charge licensees; 4,910 active broker licensees; 33,861 active associate licensees; 1,532 active property manager-in-charge licensees; and 1,955 active property manager licensees. The Commission was also presented the totals for timeshare salesperson registrants, real estate or property management office registrations, and initial application volume from 2015 to present.

The Commission's current account balance as of October 31, 2024, is \$6,274,228.35. The Cash balance report for the Education and Research Fund as well as the Timeshare Fund was included in the meeting materials.

Staff has completed the revisions to the Supervision Guidance Manual identified by the board. Once the revisions have been reviewed and approved, staff will post the manual on the website for public comments, and staff will give the update at the January meeting.

At the last meeting, there were some suggestions from the board to research various institutions to assist in developing the commercial core courses. Staff has been collaborating with the Institute of Real Estate management (IREM) to develop a 4-hour commercial core course for licensees renewing in 2025. The course will focus on managing various types of real estate, creating marketing and leasing plans, conducting financial analysis, and implementing property management best practices. Mrs. Middleton will provide further details and an outline at the next administrative meeting in January.

Also provided to the Commission for informational purposes was an Associate/Broker state examination research report. Mrs. Buttler worked with the education team to research the data for Commission review. Mrs. Buttler provided an overview of the report.

The purpose of the report was to determine if hybrid/distance pre-licensure education is the primary reason for increased examination failure rate. The data was provided from monthly school summary of first and repeat examination attempts for the years 2017-2023. The data was broken into three categories based upon education: **In-person** (strictly in-person teaching), **Hybrid** (both in-person courses with distance learning components and strictly distance learning), and **Out-of-State/Degree** (applicants exempted from pre-licensing education due to holding an active license in another jurisdiction or applicants holding a bachelor's degree or higher in real estate or a law degree).

In the aforementioned years of 2017 to 2023, the Commission has seen a significant rise in the number of applicants attempting to take the state examination for the Broker and Salesperson (now Associate) license, with peak attempts between July 2020 and October 2023. In those years there was an increase of attempts, and the failure rate for each test also increased. The Commission hypothesized that the allowance of distance learning pre-education has resulted in the increase of examination failure rates. After filtering

through the data of the three categories mentioned earlier, the assumption that distance learning education is not properly preparing applicants leading to an increase in the failure rates, was not supported by the research.

**Broker:** the data indicated the grouping with the highest rate of failure are the out-of-state/degree holding applicants.

**Associate:** The failure rates for all applicants increased with the largest categorical increases for in-person education and out-of-state/degree applicants. Prior to July 2020, hybrid education applicants consistently possessed the highest rate of failure, this no longer holds true.

To address the issues of high failure rates from out-of-state/degree applicants, in September 2023, the Commission clarified that applicants may only be exempted from the pre-licensing education requirements if they apply via reciprocity or by holding a degree in real estate or law degree. Applicants who hold active licenses in another state and applying on or after October 16, 2023 must now submit proof of pre-licensing education unless meeting the aforementioned exemptions. Due to this change, it is anticipated that we will see a significant decrease in both number of applicant and failure rates. It is anticipated that with the clarification by the Commission, these will shift to in-person and hybrid applicant, increasing the number of attempts in these categories.

To address the concern with rising failure rates for in-person and hybrid categories, a recommendation to include Instructor Development Workshop incorporating a specific or separate section for pre-licensing instructors, public publishing of school pass/fail rates, and development of an educational audit was made.

Mr. Rinehart inquired if there was any research consisting of the pass/fail rates of the South Carolina state exam compared to other states? Mrs. Middleton stated staff could research and see if that information can be obtained.

Mr. Pickren expressed concerns of the large percentage of fail rates and suggested the written questions be worded differently. It has been brought to his attention on multiple occasions that the questions on the state exam are written in a way where there could be more than one correct answer.

Mrs. Duncan inquired if Mrs. Buttler could provide data of first attempt versus repeat attempts. Mrs. Buttler will see if it is possible to obtain that data from the testing provider, PSI.

Mrs. Mitchell requested staff to research which particular sections of the state exam are applicants failing. If there are specific sections being failed, that could assist with the creation of exam questions as well as Providers knowing exactly what areas need to be reviewed more in depth.

Mrs. Sutherland requested the examination pass/fail rates and research be added as a future agenda item.

## DISCIPLINARY HEARING

a. 2022-314 – Darryl Cook

The purpose of this hearing was to consider the Formal Complaint for Case No. 2022-314. Mr. Cook did not appear before the Commission despite being properly noticed. Mr. Wattie Wharton and Mrs. Kim Long (LLR) served as witnesses for the State. All were sworn in.

Mr. Pickren recused himself from the hearing.

After opening statements were made, Mr. Alston, with the Office of Disciplinary Counsel presented the State's case.

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 where no votes will be taken. Moved by Mr. Burnett and seconded by Mr. Bethune, the motion carried by unanimous vote.

**Motion:** To exit executive session and return to public session. Moved by Mr. Stackhouse and seconded by Mr. Bethune, the motion carried by unanimous vote.

**Motion:** With respect to Case No. 2022-314, the state had proven Respondent violated S.C. Code Ann. § 40-57-710(A)(5) (2017 Supp), S.C. Code Ann. § 40-1-110(1)(f)(2001), and S.C. Code Ann. §40-1-110(1)(b)(2011). The motion included the following sanctions: Respondent be issued a public reprimand, his license be permanently revoked, and that he must pay \$5,000 per violation totaling \$15,000. Moved by Mr. Bethune and seconded by Mr. Lee, the motion carried by unanimous vote.

Mr. Pickren returned to the meeting at 1:36pm

## APPLICATION HEARINGS

a. Myisha Hoyle

Ms. Hoyle appeared before the Commission for an associate application hearing. She waived her right to counsel and was sworn in by the court reporter. Applications hearings are recorded by a certified reporter in the event a verbatim transcript is necessary.

**Motion:** To approve Ms. Hoyle to sit for the associate exam.

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

b. Mira Smith

Ms. Smith appeared before the Commission for an associate application hearing. She waived her right to counsel and was sworn in by the court reporter. Applications hearings are recorded by a certified reporter in the event a verbatim transcript is necessary.

**Motion:** To enter into executive session for legal advice where no votes will be taken.

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

**Motion:** To exit executive session and return to public session.

Moved by Mrs. Pratt and seconded by Mrs. Mitchell, the motion carried by unanimous vote.

**Motion:** To approve Ms. Smith to sit for the associate exam, with the condition that she take and complete the Disclose, Disclose, Disclose course before she can be licensed. The course will not count towards continuing education.

Moved by Mr. Burnett and seconded by Mr. Lee, the motion carried by unanimous vote.

## **NEW BUSINESS**

b. Commission Citation Authority pursuant to Title 40 Chapter 57 Practice Act

Mrs. Baldwin spoke to the Commission regarding the new citation authority for the Commission and how citations operate based on other Boards processes. She recommended the Commission consider adding a table of violations that could result in a citation to the Commission Regulations.

c. Creation of Regulations/Citation Task Force

Taskforce members include Mr. Lee (taskforce Chair), Mr. Burnett, and Mr. Smallwood. The Regulation taskforce will include topics of wholesaling and citation authority. The Wholesaling taskforce will temporarily disband until needed again in the future.

## **AGENDA TOPICS FOR FUTURE MEETINGS**

None

## **PUBLIC COMMENTS**

Austin Smallwood on behalf of SCR thanked the Commission for their work on the Brokerage Disclosure form.

## **ADJOURNMENT**

**Motion:** To adjourn.

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

The meeting adjourned at 2:37pm