



TREC Advisor

Texas Real Estate Commission * Volume 15, Number 1 * February/March 2004

Commission Launches Strategic Planning Process

At its meeting in Houston on February 9th, the Texas Real Estate Commission approved a schedule of public forums to seek input on the development of an agency Strategic Plan for fiscal years 2005-2009. The public forums will be held on the following schedule:



Wednesday March 3rd - **Austin:** TREC Commission Meeting Room
1101 Camino La Costa, 2nd floor
2- 4 pm

Thursday March 4th - **Harlingen:** Harlingen Association of Realtors
471 S. Third Street
2-4 pm

Friday March 5th - **Houston:** Melcher Hall, C.T. Bauer College of Business
Room 302
University of Houston
10-12 am

Visitors should go to the Information Booth for parking directions and a parking token.

Monday March 8th - **Dallas:** Greater Dallas Association of Realtors
8201 N. Stemmons Frwy
Training Room 1
2-4 pm

All interested parties are invited and encouraged to participate in one of the public forums which are designed to receive recommendations concerning TREC procedures, policies and activities. The range of recommendations can go from simple administrative procedures to statutory changes which require legislative action. Individuals who cannot attend a public forum but have recommendations can submit them via a special feature available on the TREC web site.

Each state agency is required to develop and submit a five year Strategic Plan by June 2004. The plan includes all recommendations which are included in the agency's legislative program for the 2005 session as well as proposed changes in rules and procedures. A copy of the 2003-2007 Strategic Plan can be found at the TREC web site.



★ Inside this issue... ★

Meeting Highlights	2
Revised and New Addenda.....	3
Residential Service Co.....	4
Enforcement O&A	5
Disciplinary Actions	6

★

THE MISSION of the Texas Real Estate Commission is to assist and protect consumers of real estate services, and foster economic growth in Texas. Through its programs of education, licensing and industry regulation, the Commission ensures the availability of capable and honest real estate service providers.

TEXAS REAL ESTATE
COMMISSION



Meeting Highlights

February 9, 2004

The Texas Real Estate Commission held its regularly scheduled meeting at the Houston Association of Realtors, Training Room #1, Houston Texas on Monday, February 9, 2004.

Vice-Chairman James Austin presided. Kay Sutton was elected Vice-Chairperson and Maria Gill was elected Secretary. Staff reports were presented concerning the number of current licensees, enforcement complaints, activity on the web site and a post payment audit by the Comptroller of Public Accounts.

The Commission adopted amendments to 22 TAC §§537.11, 537.22, 537.43, 537.47, and adopted new §537.49, concerning Professional Agreements and Standard Contract forms. The Commission proposed amendments to 22 TAC §535.51, which changes the fee provisions in three license application forms by adding \$2 to the fee for salesperson original applications, and \$5 to the fee for individual broker original applications and broker late renewal applications in conjunction with Government Code Section 2054.252 which requires TREC to pay a subscription fee for participation in an electronic system using the Internet for licensing applications and renewals.

The Commission proposed amendments to 22 TAC §535.65(d) to permit accredited real estate schools to request MCE credit for instructors of real estate core courses by filing a completed MCE Form 11-3, Instructor Credit Request, and to §535.65(j) to permit a school to provide a roster of students who take alternate delivery method or correspondence courses 10 days after the end of the month in which the course was taken.

The Commission proposed amendments to 22 §535.101(b)(1)-(3) to increase application and renewal fees as described above under proposed changes to section 535.51.

The Commission proposed amendments to 22 TAC §§535.212 to increase from 60 to 320 the number of additional classroom hours that the commission may require of professional inspector applicants for substitution of additional education in lieu of the number of inspections and previous licensure requirements. The Commission proposed amendments to §535.218 to permit currently licensed inspectors to use a course approved as an alternate education course to satisfy continuing education requirements as long as the licensee attended the entire course. The Commission proposed amendments to §535.223 to exempt an inspector licensee who conducts a code compliance inspection of a new home for a builder from using the standard inspection report form if the builder required use of the builder's form and the inspector includes a specific disclosure in the alternate form.

The Commission directed staff to work out the terms of a memorandum of understanding with the real estate center regarding development and delivery of a 6-hour mandated continuing education course, and to prepare draft rules implementing the Education Task Force recommendation for discussion of both at the April 19, 2004 Commission meeting.

There was discussion concerning the clarification of broker's responsibility under 22 TAC 535.2(d). No action was taken on this item. Don Walden, attorney for Aaron Farmer, and Ron Walker, legal counsel for the Texas Association of Realtors, updated the Commission on their efforts to forge a compromise rule setting a broker's minimum service requirement. Several persons voiced their concerns both for and against various versions of the rule.

J.B. Goodwin was appointed to serve on the Mortgage Broker Advisory Committee.

The Commission approved for use a revised Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law.

Mr. Thorburn circulated copies of the new license form that would be implemented in the near future. This form is modeled after a voter's registration card and would provide the licensee with a wallet size license.

There was discussion concerning the 2005-2009 Strategic Plan and upcoming planning sessions.

A motion for rehearing in the matter of Joseph Tome Slim was postponed at the request of the respondent.

The next regularly scheduled meeting of the Commission will be on April 19, 2004 in Austin.

Official publication of the
Texas Real Estate Commission
Volume 15, Number 1
February/March 2004

Rick Perry
Governor

Commission Members:

C. Michael Brodie
Chairman
PLANO

Kay Sutton
Vice-Chair
MIDLAND

Maria Gil
Secretary
SAN ANTONIO

James N. Austin, Jr.
FORT WORTH

Ramon "Mick" Cantu
HOUSTON

Lawrence D. Jokl
BROWNSVILLE

Paul H. Jordan
GEORGETOWN

Louise E. Hull
VICTORIA

John S. Walton
LUBBOCK

TREC Administrator
Wayne Thorburn

Desktop Publishing
Patricia Holder

The TRECAdvisor (ISSN 1047-4579) is published by the Texas Real Estate Commission (TREC) as an educational service to licensees in the state of Texas. The purpose of the newsletter is to promote a better understanding of the Real Estate License Act and to inform all licensees of changes affecting laws and practices in the real estate industry. The TRECAdvisor is funded through legislative appropriations and subscriptions collected from TREC licensees. The official text of TREC rules is filed with the Office of the Secretary of State, Texas Register. TREC encourages reproduction of this newsletter with the appropriate acknowledgments. Subscriptions are available for \$4.00 for two years. Single issues are \$1.00. To order a subscription or a single issue write to TRECAdvisor, Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188. For information regarding TREC, contact:

Texas Real Estate Commission
P.O. Box 12188
Austin, Texas 78711-2188
(512) 459-6544 or (800) 250-TREC

Commission Adopts Revised Addenda and Promulgates New Form

The Texas Real Estate Commission (TREC) adopted amendments to §§537.11, 537.22, 537.43, and 537.47, and adopted new §535.49 at its meeting on February 9, 2004. These amendments and new section adopt by reference four revised contract forms to be used by Texas real estate licensees. The contract forms are published by TREC and available at the TREC web site (www.trec.state.tx.us) or at the Texas Real Estate Commission. The effective date for mandatory use of the adopted contract forms is April 1, 2004; however, the forms may be used by licensees on a voluntary basis prior to the effective date.

TREC No. 11-5, Addendum for "Back-up" Contract, is revised to clarify Paragraph B regarding the contingency date and paragraph E regarding the time for giving notice of termination. Under paragraph B, if the first contract terminates, the effective date of the Back-Up Contract automatically changes to the date the buyer receives notice of termination of the first contract or the contingency date, whichever is earlier and is called the Amended Effective Date. The time for giving notice of termination in Paragraph E. is clarified to conform to the changes in Paragraph B.

Paragraph A.3 of TREC No. 36-3, Addendum for Property Subject to Mandatory Membership in an Owners' Association, is changed to delete the language which states that buyer waives the right of termination under the addendum if buyer does not require delivery of the subdivision information.

TREC No. 40-1, Third Party Financing Condition Addendum, is revised to clarify that "every reasonable effort to obtain financing approval" includes but is not limited to furnishing all information and documents required by lender for approval. The sentence in the introductory paragraph regarding the date by which the buyer must obtain financing approval is revised for buyer to provide written notice to seller within a stated period of days after the effective date if buyer cannot obtain financing approval within the time period. If buyer gives notice within the time period, the contract will terminate and the earnest money will be refunded to buyer. If the buyer does not give the notice within the time period, the contract will not be subject to buyer financing approval as described in the addendum. The first paragraph of the addendum now includes a sentence stating that time is of the essence for purposes of the paragraph.

The revised form deletes the options in A.1 and A.2 of the previous form as to whether the loan will or will not include private mortgage insurance (PMI). The revised form deletes the second part of paragraph C of the previous form to avoid a potential conflict between the language in the first part of paragraph C regarding the appraised value of the property.

TREC No. 42-0, Notice Pursuant to Third Party Financing Condition Addendum provides a notice to seller that the buyer is unable to obtain financing approval according to the terms of the Third Party Financing Addendum.

Proposal for Changes to Fast Track Licensing for Professional Real Estate Inspectors .

The Texas Real Estate Commission proposed a rule at its February 9, 2004 meeting to increase core inspection classroom hours required to become licensed as a Professional Real Estate Inspector through the "fast-track" method effective January 1, 2005. The "fast-track" method allows one to apply for a Professional Real Estate Inspector license without practical experience but by completing a certain number of core inspection classroom hours (where no experience in the industry is required). Currently, the requirement is 188 Core inspection classroom hours, 8 of which must be in the Standards of Practice and 20 hours of course credit each in structural, mechanical (including appliances, plumbing, and HVAC components) and electrical systems found in improvements to real property.

The proposed rule revisions will replace the requirement for the 20 hours of course credit each in structural, mechanical and electrical systems with 320 additional hours in specific core inspection courses as defined in the rules. Effective January 1, 2005, Professional Inspectors applying under the "fast-track" method must complete a total of 448 Core inspection hours. The breakdown of the additional 320 hours, including required courses, subjects and subtopics is detailed in the proposed rules which are posted on the TREC website and the Texas Register for public notice and comment. Final action on the proposed rule may be taken at the April 19, 2004 Commission meeting.

Understanding Residential Service Contracts

In addition to licensing brokers and salespersons, the Texas Real Estate Commission also licenses and regulates Residential Service Companies (RSCs) pursuant to §1303 of the Texas Occupations Code. Currently, there are 19 RSCs licensed to sell residential service contracts in Texas.

A residential service contract (service contract) is an agreement whereby the RSC is paid a fee and undertakes for a certain period (generally one year, but can be more or less), to *maintain, repair or replace* all or any part of the structural components (such as foundations), appliances, or electrical, plumbing, heating, cooling or air-conditioning systems of residential property. It is important to remember that the service contract is not insurance, and it is not a true 'warranty' which guarantees the work performed. With few exceptions, the service contract will cover only those named items which are in good, working order at the time of the purchase of the contract and which cease functioning properly due to normal wear and tear; therefore, "pre-existing" problems and items which are not well-maintained pursuant to the manufacturer's recommendations are usually excluded from coverage.

By law, the service contract must be understandable and free from misleading language. This means that the coverages and exceptions to coverage must be spelled out clearly. To avoid consumer misunderstandings about what coverages are provided by the RSCs, it is important that licensees become familiar with the general content of these service contracts and not represent that a particular item is covered if it is not.

As an integral part of the selling process upon whose advice consumers rely, the real estate agent must be careful to provide accurate information. An agent must be especially careful not to convey a message to any party that the service contract "covers everything", and he or she additionally must refrain from making statements such as "don't worry about 'X', I'm sure the service contract will cover that".

To better understand what service contract products are available, licensees should take time to read a few of the service contracts on the market. As an additional resource, the Texas Warranty Association (TWA), a voluntary organization of RSCs doing business in Texas, has available a free 3 hour MCE course (with 2 hours legal) on the subject of home warranty contracts and coverages, entitled "Opportunities and Advantages of Residential Service Contract Disclosure." For more information on locating a class, contact Suzan Kelly, the MCE coordinator for Texas Warranty Association (TWA) at 1-800-698-0422. At the prompt press 1 for sales representative, the extension 6725.

FOR YOUR OWN GOOD . . . CHECK THE EXPIRATION DATE OF YOUR LICENSE

It is your responsibility to ensure that your license is renewed in a timely manner. Any education you might require must be completed before your license expiration date if you want to maintain an active real estate license, unless you pay an additional \$200 fee and complete your MCE within 60 days of the expiration date of your license.

Renewal forms are sent out to all licensees and may also be obtained on our website. The Texas Real Estate Commission is not responsible for U.S. Postal Service delivery or knowing where to find you if you have moved and not filed a change of address with our office. Failure to receive a renewal notice does not provide a valid excuse for not renewing your license.

Enforcement Questions and Answers

(these and other questions and answers may be found on TREC's web site at http://www.trec.state.tx.us/questions/faq-enf_recent.asp)

- Q.** How long may someone wait to file a complaint against a real estate agent?
- A.** Four years from the date of the incident.
- Q.** Are home warranty companies required to send a notice of non-renewal to a policy holder before the renewal date of the policy?
- A.** No. There are no provisions in the Residential Service Company Act, administered by the Texas Real Estate Commission, that requires a residential service company to send notice of non-renewal before the renewal date. Most residential service company contracts provide that any coverage beyond the initial term is at the sole discretion of the residential service company. Please read your contract for specific terms regarding renewal.
- Q.** May a seller of property pay an unlicensed individual a referral fee for bringing a buyer to purchase the property? The individual would only introduce the parties, nothing else?
- A.** No. Procuring a prospect in a proposed real estate transaction, for a fee or other valuable consideration, is activity which requires a real estate license. Acting as a real estate agent without a license is a class A misdemeanor; additionally, the Commission may assess fines for unlicensed activity. Licensed agents cannot pay commissions or fees to unlicensed persons for assistance in a real estate transaction without being in violation of the law.
- Q.** Is there a limit on the number of salespersons who can work for one broker?
- A.** The provisions of the Real Estate License Act and the Rules of the Commission have no formal limits on the number of salespersons that a broker can sponsor. Note, however, that a sponsoring broker is responsible for ALL the brokerage activities of the salespersons sponsored by the broker. The law requires the broker to exercise appropriate supervision of those activities. Failure to do so could be a basis for disciplinary action against the broker's license. A broker is equally responsible for all salespersons sponsored by licensed corporations or LLCs for which the broker is the designated officer or designated manager.
- Q.** May a right-of-way agent procure an easement or right-of-way for a telecommunications company for a cell communication tower site?
- A.** Yes. Under the law cell tower sites would be included in the definition of telecommunications.
- Q.** May an easement or right-of-way agent lease and sell property for others in addition to procuring easements and rights-of way?
- A.** No. A person registered with the Texas Real Estate Commission as an Easement or Right-of-Way Agent is limited to selling, buying, leasing or transferring an easement or right-of-way for another person and for compensation when it is for use with telecommunication, utility, railroad or pipeline services. Please note however, that a licensed broker or salesperson may perform all the activities of an easement or right-of-way agent under their broker or salesperson license.
- Q.** Does the Commission require a licensee to be a member of real estate associations or real estate boards?
- A.** No. Neither the Real Estate License Act nor the Rules of the Commission require a licensee to maintain membership in any organization. It is possible that if your broker is a member of a listing service or association, those entities may require that all salespersons working for that broker be members.
- Q.** As a real estate salesperson licensee, may I be sponsored by two brokers at the same time?
- A.** No. It is not possible for a licensed salesperson to be sponsored by two brokers or to be working for two brokers at the same time. The Real Estate License Act permits a licensed salesperson to have one sponsoring broker and requires the salesperson to conduct all real estate brokerage activities through that sponsoring broker.
- Q.** I am a licensed real estate salesperson, but my license is on "inactive" status. Could I show real estate but not sell real estate?
- A.** No. Your license must be on "active" status in order for you to perform **any** acts of a real estate agent for which you are compensated, as defined in the Texas Real Estate License Act.
- Q.** My friend and I are licensed salespersons. She has formed a corporation, and I have formed an LLC. We would like our commissions made payable to the corporation or LLC. Is this permissible under the law? Also, should our corporation and LLC each have a designated broker or agent?
- A.** Pursuant to the Real Estate License Act, a commission may not be shared with an unlicensed "person". The word "person" may also mean a corporation or other business entity under the Act. Therefore, in order for the broker to pay commissions to a corporation or LLC, that corporation or LLC must be licensed with TREC pursuant to §1101.355 of the Act. That section states what the corporation or LLC must do to obtain a license, including designating an officer (corporation) or manager (LLC) as its "designated agent" **who must be licensed as a broker**, otherwise, your corporation or LLC is not in compliance with the law.



Disciplinary Actions

November—January 2004

Consumer Complaints

Porter, Debra Ann
(Houston); license# 480916

60-day suspension of salesperson license, effective November 1, 2003; depositing into her own account money that was intended by her client to be used as earnest money for the purchase of property, in violation of §15(a)(6)(E) [§1101.652(b)(9);(10) of the Texas Occupations Code, effective June 1, 2003]; acting negligently or incompetently, in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003] by collecting funds from a client without making clear the purpose for which the funds would be used, retaining the funds for an unreasonable length of time without obtaining a seller's signature to finalize a contract, failing to disclose information about representation and brokerage services, and failing to be aware of and follow the formalities for creation of an intermediary relationship

LeBlanc, James Randolph
(Houston); license# 1124

Agreed 30-day suspension of professional inspector license, effective November 1, 2003, fully probated for 5 months, effective December 1, 2003; Agreed administrative penalty of \$2,000 entered October 20, 2003; acting in a manner or engaging in a practice that is dishonest or fraudulent or that involves deceit or misrepresentation, by holding out that he was affiliated with a particular business organization, when he was not, in violation of §23(1)(2) and §23(1)(7) of The Real Estate License Act [§1102.302(2) and §1102.305 of the Texas Occupations Code, effective June 1, 2003]; knowingly or intentionally engaging in the practice of real estate inspecting without a license, by authorizing an unlicensed person to perform a real estate inspection, in violation of §23(m) of The Real Estate License Act [§1102.407 of the Texas Occupations Code, effective June 1, 2003]

Williams, Ronald Corry
(Mesquite); license# 147082

Revocation of broker license, entered November 6, 2003; that while acting as a property manager, failed to timely remit monthly statements, accountings, and/or net rental proceeds to the owner, and wholly failed to remit two (2) months rental proceeds and requested documents to the owner, in violation of §15(a)(6)(E), §15(a)(6)(V) and §15(a)(6)(W) of the Texas Real Estate License Act [§1101.652(b)(9), (10), §1101.652(2)(b) and §1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]; and failed or refused to produce documents in his possession related to a real estate transaction for inspection by the Commission and failed within a reasonable time to provide information to the Commission that relates to a complaint, in violation of §15(a)(7) and §15(a)(8) of The Real Estate License Act [§1101.652(a)(5) and §1101.652(a)(6) of the Texas Occupations Code, effective June 1, 2003]

Ketchum, Tanya Denise
(Texas City); license# 470878

Agreed reprimand of salesperson license, entered November 12, 2003; Agreed administrative penalty of \$500, entered November 12, 2003; receiving compensation, from a person other than her sponsoring broker and without the consent of her sponsoring broker, for services as a real estate salesperson, in violation of §1(d) of The Real Estate License Act [§1101.651(b) of the Texas Occupations Code, effective June 1, 2003]

Bermudez, Paul Obed
(Dallas); license# 377623

Agreed reprimand of broker license, entered November 17, 2003; Agreed administrative penalty of \$750, entered November 17, 2003; acting negligently or incompetently through negligent conduct of salesperson that he sponsored, in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]

Stanley, Rita Lynn
(San Antonio); license# 424231

Agreed reprimand of salesperson license, entered November 24, 2003; Agreed administrative penalty of \$1,000, entered November 24, 2003; failing to have the agreement of the seller's or a fully executed listing agreement before placing a property on the market, in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]

Urena, Salvador
(Dallas); license# 496840

Agreed 1 month suspension fully probated for 6 months, effective November 24, 2003; acting negligently or incompetently when he knew or should have known the buyer he represented desired to sell her property and otherwise could not comply with the terms of a sales contract and he did not include an Addendum for Sale of Other Property by Buyer or otherwise disclose the information to the seller, in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]

Cashmer, Robert D. Sr.
(Pleasanton); license# 4725

30-day suspension of professional inspector license, effective December 8, 2003; performing an inspection in a negligent or incompetent manner by failing to properly report foundation damage, in violation of §23(1)(3) of The Real Estate License Act [§1102.301 of the Texas Occupation Code, effective June 1, 2003]

Rivera, Moises Ramon
(El Paso); license# 368450

Agreed reprimand of broker license, entered December 9, 2003; Agreed administrative penalty of \$1500, entered December 9, 2003; failing to properly maintain escrow accounts and records, in violation of §15(a)(6)(E) of The Real Estate License Act [§1101.652(b)(9) of the Texas Occupations Code, effective June 1, 2003]; failing to monitor and train a sponsored salesperson who offices several hundred miles away and who failed to properly handle property management accounts and activities and money belonging to others, in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003] and 22 TAC §535.2(c) and §535.146(a),(b),(c), and (d) of the Rules of the Texas Real Estate Commission

Turlington, Andy Olin
(Henderson); license# 228719

Agreed administrative penalty of \$750 against broker license, entered December 12, 2003; negligently supervised a salesperson he sponsored that, when acting as a buyer's agent, the salesperson failed to provide the Information About Brokerage Services form as required, did not fully disclose the seller's counter offer to the buyers, and signed the buyer's name and initials to certain terms in the counter offer wherein permitting the seller temporary possession after closing, in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]; and failed to notify the Commission in writing within a reasonable time that he conducts his real estate business using a name other than the name in which he is licensed, in violation of 22 TAC §535.154(c) of the Rules of the Texas Real Estate Commission

Agee, William Lee
(Joshua); license#

Revocation of proprietary school instructor approval, effective December 23, 2003; when acting as property manager for another person, collected rent and security deposit from tenant and failed to properly remit funds to the owner or make mortgage payments for the owner wherein the owner's property was foreclosed upon, in violation of §15(a)(6)(V), §15(a)(6)(E), and §15(a)(6)(Y) of The Real Estate License Act [§1101.652(b)(2),(10) and (30) of the

Texas Occupations Code, effective June 1, 2003]; and failed to provide information within a reasonable time to the Commission relating to a complaint, in violation of §15(a)(8) of The Real Estate License Act [§1101.652(b)(6) of the Texas Occupations Code, effective June 1, 2003]

Agee, William Lee
(Conroe); license# 458428

Revocation of broker license, effective December 23, 2003; when acting as property manager for another person, collected rent and security deposit from tenant and failed to properly remit funds to the owner or make mortgage payments for the owner wherein the owner's property was foreclosed upon, in violation of §15(a)(6)(V), §15(a)(6)(E), and §15(a)(6)(Y) of The Texas Real Estate License Act [§1101.652(b)(2),(10), and (30) of the Texas Occupations Code, effective June 1, 2003]; and failed to provide information within a reasonable time to the Commission relating to a complaint, in violation of §15(a)(8) of The Real Estate License Act [§1101.652(b)(6) of the Texas Occupations Code, effective June 1, 2003]

Bumgardner, Kelly Kaye
(Tyler); license# 497399

Agreed 1-month suspension of salesperson license fully probated for 1 year, effective December 24, 2003; acting negligently or incompetently as a buyer's agent when she failed to provide the Information About Brokerage Services form as required, did not fully disclose the seller's counter offer to the buyers, and signed the buyer's name and initials to certain terms in the counter offer wherein permitting the seller temporary possession after closing, in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003] and §15C of The Real Estate License Act [§1101.558 of the Texas Occupations Code, effective June 1, 2003]

Delouise, Sun H.
(Killeen); license# 437824

Agreed 120-day suspension of broker license fully probated for 1 year, entered December 29, 2003; Agreed administrative penalty of \$1500, entered December 29, 2003; engaging in unlicensed real estate activity for a period exceeding one year and procuring a real estate license by making a material misstatement of fact in an application for late renewal of her real estate broker license, in violation of §1(c) of The Real Estate License Act [§1101.351(a) of the Texas Occupations Code, effective June 1, 2003] and in violation of §15(a)(2) of The Real Estate License Act [§1101.652 (a)(2) of the Texas Occupations Code, effective June 1, 2003]

Truett, Paul Moser IV
(Lufkin); license# 477059

Agreed reprimand of salesperson license, entered November 4, 2003; Agreed administrative penalty of \$250, entered November 4, 2003; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Alcala, Paula C.
(Corpus Christi); license# 422307

Reprimand of broker license, entered January 15, 2004; guilty of acting negligently or incompetently in performing an act for which a person is required to hold a real estate license, in violation of §15(a)(6)(V) when a salesperson she sponsored allowed a prospective buyer to occupy her client's property without authorization, when a buyer's temporary lease was executed by prospective buyer that did not meet the terms authorized by the seller including allowing the earnest money to be used as a security deposit, when her check remitted to the seller for months of rent was dishonored based on insufficiently funded checks from the occupying buyer

Bevers, Annetta Lacene
(Fort Worth); license# 258250

Agreed 1-month suspension of salesperson license, fully probated for 6 months, effective January 16, 2004; acted negligently or incompetently when she disregarded the owner's instructions to submit the total security deposit to the owner and return most of the security deposit to the tenant after she did not hear from the owner regarding damages, in violation of §15(a)(6)(W) of The Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]

Barker, John Melvin
(Richardson); license# 293808

Agreed 1 year suspension of broker license, fully probated for 2 years, effective January 30, 2004; Agreed administrative penalty of \$6,000, entered January 30, 2004 ; acted negligently or incompetently, engaged in conduct that constituted dishonest dealings, bad faith, or untrustworthiness, and failed in his duty to convey accurate information to the public when acting as a listing agent, he knew, or should have known, that the historical listing information reported on an appraisal that he made as the appraiser, was inaccurate, in violation of §§15(a)(6)(W) and 15(a)(6)(V) of The Real Estate License Act [§1101.652(b)(1) and (2) of the Texas Occupations Code, effective June 1, 2003] and 22 TAC §535.156(d) of the Rules of the Texas Real Estate Commission; failed or refused to produce documents, books, or records concerning a real estate transaction to the Commission and failed within a reasonable time to provide information requested by the Commission as a result of a complaint, in violation of §§15(a)(7) and (8) of The Real Estate License Act [§§1101.652(a)(5) and (6) of the Texas Occupations Code, effective June 1, 2003]; and published an advertisement that was misleading to the public as it represented that his buyer's broker representation agreement term may be left "open" and would not require a specified definite termination date, in violation of §15(a)(6)(P) of The Real Estate License Act [§1101.652(b)(23) of the Texas Occupations Code, effective June 1, 2003]

Administrative Complaints

Carr, Randy Jack
(Allen); license# 5258

Revocation of professional inspector license, effective November 25, 2003; failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of 22 TAC §535.224(d)(1) and §534.2(b) of the Rules of the Texas Real Estate Commission

Salloum, Faraj
(Katy); license# 318110

Revocation of salesperson license, effective November 21, 2003; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Davidson, Gregory Merle
(Spring); license# 345855

Revocation of broker license, effective November 21, 2003; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Henderson, Dymra R.
(Austin); license# 477022

Agreed reprimand of salesperson license, entered November 25, 2003; Agreed administrative penalty of \$250, entered November 25, 2003; failing to complete mandatory continuing education hours within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Calendar of Events

Commission Meetings:

April 19, 2004
(Austin)

Broker-Lawyer Committee Meetings:

April 1-2, 2004
(Austin)

Inspector Committee Meetings:

March 5, 2004
(Austin)

Web site:

<http://www.trec.state.tx.us>

Phone

(800) 250-TREC (8732)
or
(512) 459-6544

**Kalmiya, Akira Joshua
(Coppell); license# 496445**

Reprimand of salesperson license, entered November 25, 2003; failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of §1101.656 of the Texas Occupations Code

**Shasteen, McKinley Dale
(Coppell); license# 229775**

Reprimand of broker license, entered November 25, 2003; failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of §1102.656 of the Texas Occupations Code and §534.2(b) of the Rules of the Texas Real Estate Commission

**St. Clair, George Don
(Seymour); license# 468481**

Revocation of salesperson license, effective December 3, 2003; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

**Williams, Todd Allen
(Dallas); license# 409128**

Revocation of broker license, effective December 3, 2003; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

**Anderson, Monica Traczynski
(Spring); license# 461731**

Revocation of salesperson license, effective December 3, 2003; failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of §1101.652(a)(4) of the Texas Occupations Code and §534.2(b) of the Rules of the Texas Real Estate Commission

**Hinton, Kenneth Earl
(Fort Worth); license# 498157**

Agreed reprimand of salesperson license, entered December 30, 2003; Agreed administrative penalty of \$250, entered December 30, 2003; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

**Pachecano, Edward Lee Jr.
(Dallas); license# 484916**

Agreed reprimand of salesperson license, entered January 7, 2004; Agreed administrative penalty of \$250, entered January 7, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

**Parramore, Marilyn Kay
(Lubbock); license# 438232**

Revocation of broker license, effective January 8, 2004; failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of §1101.652(a)(4) of the Texas Occupations Code and §534.2(b) of the Rules of the Texas Real Estate Commission

**Corbin, Tanya Dee
(Conroe); license# 468745**

Revocation of salesperson license, effective January 8, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

**Garcia, Rebecca S.
(Laredo); license# 496362**

Revocation of salesperson license, effective January 9, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

**Kelley, Edna Sue
(Odessa); license# 127434**

Revocation of broker license, effective January 9, 2004; failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of §1101.652(a)(4) of the Texas Occupations Code and §534.2(b) of the Rules of the Texas Real Estate Commission

**Klein, Michelle T.
(Houston); license# 454718**

Agreed reprimand of salesperson license, entered January 20, 2004; Agreed administrative penalty of \$250, entered January 20, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

**May, Frank D.
(Dallas); license# 280563**

Agreed reprimand of broker license, entered January 23, 2004; Agreed administrative penalty of \$250, entered January 23, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

**Valenta, D. Neal
(Garland); license# 2105**

Revocation of professional inspector license fully probated 2 1/2 years, effective January 24, 2004; payment of \$7,500.00 made by the Texas Real Estate Commission from the Real Estate Inspection Recovery Fund toward satisfaction of a judgment against D. Neal Valenta, in violation of §8(i) of The Real Estate License Act [§1102.402 of the Texas Occupation Code, effective June 1, 2003]

**DeLaGarza, Trisha Alison
(San Antonio); license# 467162**

Revocation of salesperson license, effective January 27, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

**Wilkerson, Douglas E.
(Fort Worth); license# 267676**

Revocation of salesperson license, effective January 29, 2004; failing within a reasonable time to provide information to the Commission in response to Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC §535.91(a) of the Rules of the Texas Real Estate Commission