



# TREC Advisor

Texas Real Estate Commission \* Volume 16, Number 5 \* September 2005

## Pre-Licensure Education Changes for Salesperson Applicants

Senate Bill 810, passed by the 79<sup>th</sup> Legislature, amended significantly the Real Estate License Act provisions regarding education requirements for salesperson applicants. On or after January 1, 2006, a person applying for a salesperson license must complete prior to application 150 classroom hours of core real estate courses and 60 related (or core) hours for a total of 210 classroom hours. This is an increase of 30 core hours compared to the education requirement for applications filed prior to January 1, 2006. Once licensed, a salesperson will be required to take 60 additional hours of core real estate courses for a total of 270 classroom hours by the end of their first year of licensure. Thus, under the new law, a salesperson is under Salesperson Annual Education (SAE) requirements for only one year after obtaining their license.

Under current law, a salesperson applicant must complete prior to filing an application 180 classroom hours, which includes 120 hours of core real estate courses and 60 related (or core) hours. A salesperson must complete the remaining 90 classroom hours of core courses by the end of their third year of licensure. Thus under current law, a salesperson is under SAE requirements for three years after obtaining their license.

The net result of the new laws for applications filed on or after January 1, 2006, is that the total number of classroom hours necessary to hold a salesperson license remains at 270 hours, including 210 hours of core real estate courses. However, the total number of up front classroom hours required to apply for a salesperson license is increased by 30 core hours and the remaining 60 hours must be taken by the end of the first year of licensure.

For additional information regarding SAE requirements, check the TREC website at [www.trec.state.tx.us](http://www.trec.state.tx.us).

## COMMISSION ENACTS TEMPORARY LICENSE FOR EVACUEES FROM KATRINA

The Texas Real Estate Commission, meeting in an emergency teleconference September 12, 2005, adopted a process whereby real estate salespersons, brokers, and home inspectors relocated to Texas due to Hurricane Katrina may obtain a temporary license to conduct business in the state.

Individuals currently licensed as a broker or salesperson, in good standing, in the states of Alabama, Louisiana, and Mississippi who are unable to continue to practice or reside in those states as a result of Hurricane Katrina may apply for a temporary emergency salesperson license which will expire on March 31, 2006. All such individuals must be sponsored by a Texas real estate broker in order to conduct business in the state.

Individuals currently licensed as a home inspector, in good standing, in the states of Alabama, Louisiana, and Mississippi who are unable to continue to practice or reside in those states as a result of Hurricane Katrina may apply for a temporary emergency real estate inspector license which will expire on February 28, 2006. All such individuals must be sponsored by a Texas professional inspector in order to conduct inspections in the state.

As a result of the proclamation by the Governor dated September 1, 2005 declaring a state of emergency due to Hurricane Katrina, the Commission has determined that the conditions concerning emergency rulemaking have been satisfied. Further information relative to the temporary emergency real estate salesperson and real estate inspector license can be obtained from the Commission's web site at [www.trec.state.tx.us](http://www.trec.state.tx.us)

### Inside this issue...

Meeting Highlights ..... 2

Proposed/Adopted Rule; ... 3

Members Appointed  
To Broker Lawyer  
Committee ..... 4

New Minimum Services  
Law in Effect..... 5

Disciplinary Action; ..... 6



TEXAS REAL ESTATE  
COMMISSION

# Meeting Highlights

**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.

*August 15, 2005*

The Texas Real Estate Commission held its regularly scheduled meeting at the TREC headquarters in Austin, Texas on Monday, August 15, 2005. Chairman John Walton presided.

During staff reports, there was discussion concerning the number of broker late renewals and the pass rate of persons taking the licensing exams for the first time. The retirement of Linda Bayless, Director of Enforcement was announced and the Commission was informed that management hoped to have a new Director of Enforcement in place by the first of September. Mr. Waters spoke concerning the internal auditors' report.

The Commission adopted a resolution recognizing Walter Borgfeld for over 27 years of service on the Broker Lawyer Committee. Charles J. Jacobus was appointed by the State Bar of Texas to fill Mr. Borgfeld's position.

After executive session in which the Commission considered the Administrator's job performance and salary under Texas Government Code, §551.074(a)(1), the Commission voted to increase the salary of the Administrator. The Commission voted to pay four claims against the Real Estate Recovery Trust Fund: one for \$50,000, one for \$3,377, one for \$4,962 and one for \$50,000.

The Commission voted to withdraw amendments to §535.2, regarding broker responsibility, and adopt amendments to §§539.31, 539.51, 539.81, and 539.121, regarding Residential Service Companies.

The Commission voted to propose amendments to §535.64, regarding Accreditation of Schools and Approval of Courses and Instructors; §535.71, regarding Mandatory Continuing Education; §535.208 regarding professional inspector Corporation and Limited Liability Company application forms, and propose new §535.209 regarding inspector corporations and limited liability companies.

Two new members were appointed to the Broker Lawyer Committee by the Commission. They are Mary Steele of Houston and Judy Elliott of Abilene. (See page 4).

Ms. Hassumani presented TREC's Self Evaluation Report to the Sunset Advisory Commission for approval. The report was approved to be submitted to the Sunset Advisory Commission by August 19, 2005.

The next meeting of the Commission will be October 17, 2005 and meetings have been scheduled for December 5, 2005 and February 13, 2006.

## ***Della Lindquist New Director of Enforcement***

TREC is proud to announce that former staff attorney, Della Lindquist, began her tenure as Director of Enforcement on September 1, 2005. Ms. Lindquist replaces Linda Bayless, who retired at the end of July.

Ms. Lindquist is a graduate of the South Texas College of Law. Her past experience includes working in the title industry as an escrow officer and a title examiner. Prior to her position at TREC Ms. Lindquist was Director of Broker Services for REMAX of Texas (Houston). In 2003, she joined TREC Enforcement staff as an attorney.



As Director of Enforcement, Ms. Lindquist supervises a staff of twenty-six including attorneys, legal assistants, investigators and clerical personnel. The Enforcement Division ensures that consumers are protected by providing firm, fair and consistent enforcement of the Real Estate License Act, the Texas Timeshare Act, and the Residential Services Act.

Official publication of the  
**Texas Real Estate Commission**  
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**Rick Perry**  
Governor

Commission Members:

**John Walton**  
Chairman  
LUBBOCK

**Mary Frances Burleson**  
Vice-Chair  
DALLAS

**Elizabeth Leal**  
Secretary  
EL PASO

**James N. Austin**  
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VICTORIA

**Lawrence D. Joki**  
BROWNSVILLE

**Paul H. Jordan**  
GEORGETOWN

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:

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(512) 459-6544 or (800) 250-TREC  
<http://www.trec.state.tx.us>

## Rules Adopted at the August 15, 2005 meeting of the Texas Real Estate Commission

(for text of rules go to [www.trec.state.tx.us](http://www.trec.state.tx.us))

Rule Number	Topic of Rule	Summary of amendment
<b>§539.31</b>	Definitions	Changes the cites to the relevant statutory provisions in Chapter 1303, Texas Occupations Code.
<b>§539.51</b>	Authorized Personnel	Changes the cites to the relevant statutory provisions in Chapter 1303, Texas Occupations Code.
<b>§539.81</b>	Funded Reserves	Changes the cites to the relevant statutory provisions in Chapter 1303, Texas Occupations Code.
<b>§539.121</b>	Examinations	Changes the cites to the relevant statutory provisions in Chapter 1303, Texas Occupations Code.
<b>§§535.208, 535.209</b>	Real Estate Inspectors	Revises §535.208 concerning Application for a License, and adds new §535.209 concerning Professional Inspector Corporations and Limited Liability Companies (LLC) to comply with new legislation effective 9-1-2005 which requires licensing and renewal of corporations and limited liability companies engaging in professional home inspecting for buyers and sellers in Texas. Adopts two new application forms to be used by corporations and LLCs applying for a professional inspector license.

## Rules Proposed at the August 15, 2005 meeting of the Texas Real Estate Commission

(for text of rules go to [www.trec.state.tx.us](http://www.trec.state.tx.us))

Rule Number	Topic of Rule	Summary of amendment
<b>§535.64</b>	Education, Experience, Educational Programs, Time Periods and Type of License	Changes the cites in Form ED 5-1, Real Estate Provider Bond, to the relevant statutory provisions in Chapter 1101, Texas Occupations Code.
<b>§535.71</b>	Mandatory Continuing Education	Revises subsection (d)(4) which adopts by reference MCE Form 3A-3, MCE Course Application, to parallel existing language in §535.71(r) which states an applicant must provide a brief written statement that describes the course objective and how the subject matter is related to activities for which a real estate license is required.
<b>§§535.208, 535.209</b>	Real Estate Inspectors	Adopts on an emergency basis revisions to §535.208 concerning Application for a License, and adds new §535.209 concerning Professional Inspector Corporations and Limited Liability Companies (LLC) to comply with new legislation effective 9-1-2005 which requires licensing and renewal of corporations and limited liability companies engaging in professional home inspecting for buyers and sellers in Texas. Adopts two new application forms to be used by corporations and LLCs applying for a professional inspector license.

### Coming soon: a change in the renewal process for salespersons and brokers.

At its June 13, 2005 meeting, the Commission discussed eliminating the current license renewal form for salespersons and brokers. It is anticipated that the existing renewal card will be replaced with a notification postcard by July 1, 2006. The notification postcard will alert salespersons and brokers that they need to renew their license online.

Although the postcard notification change does not go into effect until July 1, 2006, salespersons and brokers may continue renewing their licenses online by visiting: [www.trec.state.tx.us](http://www.trec.state.tx.us)

The online renewal service has been available since August 2000. Please visit TREC's web site for online renewals and to obtain other current information pertaining to the Commission. For more information on the renewal notification postcard see *TRECAdvisor*, Vol. 16, Number 4, July 2005 issue, page 5.



## **Commissioners Appoint Judy Elliott and Mary J. Steele to Broker Lawyer Committee**



At the August, 15, 2005 meeting of the Commission, **Judy Elliott** was appointed to the Broker Lawyer Committee. Ms. Elliott is a licensed Texas real estate broker and is the Residential Sales Manager for Coldwell Banker, First Equity Realtors in Amarillo, Texas. She oversees the activities of 50 full-time residential agents and reviews virtually every residential transaction written or received by the agents. Ms. Elliott trains new agents and provides continuing education for the entire residential sales staff.



**Mary J. Steele** was appointed to the Broker Lawyer Committee on August 15, 2005. Ms. Steele is a licensed Texas real estate salesperson and is General Manager for Heritage Texas Properties in Houston. She is responsible for nine offices and oversees 300 associates. Ms. Steele works closely with the principals of the company in the development of business plans, marketing strategies, financial planning, contracts and legal issues that affect the growth and productivity of the company. She is also an MCE instructor.

Both Ms. Elliott and Ms. Steele will serve six year terms which expire in August of 2011.

## **State Bar of Texas Appoints Charles J. Jacobus and Re-appoints Dawn Moore to Broker Lawyer Committee**



**Charles J. Jacobus** was appointed to the Broker Lawyer Committee by the Board of Directors of the State Bar of Texas effective September 1, 2005. He is an attorney with law offices in Bellaire, Texas, and Senior Vice-President of Charter Title Company in Houston, Texas. He is board certified by the State Bar of Texas Board of legal specialization in both Residential and Commercial Real Estate Law.

He has served as chairman of the Real Estate Section of the Houston Bar Association, president of the Real Estate Educators Association, and Course Director for the Advanced Real Estate Law course for the State Bar of Texas, and the Texas Land Title Institute. He currently serves on the Council of the Real Estate, Probate, and Trust Law Section of the State Bar of Texas, and chairs the Title Insurance Committee for the State Bar of Texas.

Mr. Jacobus is the author of numerous real estate texts. He is the editor-in-chief of the *Texas Forms Manual for Real Estate and Title Documentation*, co-author of *Texas Real Estate Brokerage and the Law of Agency*; *Keeping Current with Texas Real Estate*, and has a weekly column in the Houston Chronicle, *Ask George and Chuck*.

He is an adjunct professor of law at the University of Houston Law Center, and a frequent speaker at State Bar of Texas real estate courses, Texas Land Title Association courses, Real Estate Educators Association annual conference, and the ARELLO National Conference.



**Dawn Moore** is President, Chief Executive Officer of Allegiance Title Company, serving the Dallas/Fort Worth Metroplex and Houston with twelve offices. She graduated from Southern Methodist University, magna cum laude, with a Bachelor of Science Degree in Economics and graduated with honors from Southern Methodist University Dedman School of Law, which recently honored her with a Distinguished Alumni Award for Corporate Service. In 2000, the Texas State Bar Association appointed her to the Texas Real Estate Commission's Broker/Lawyer Committee, which is responsible for drafting new real estate contracts. She currently serves on the Board of Directors of the Texas Land Title Association and as Immediate Past Chair on the Board of Interfaith Housing Coalition. She was appointed in 1998 by then Governor George Bush to serve as Chair of the Texas State Affordable Housing Corporation, which under her leadership made available thousands of units of affordable housing for the low to moderate income citizens of Texas. She has also served on the Board of the Greater Dallas Association of Realtors and on the Board of the Collin County Association of Realtors. Active with her alma mater, she currently serves as a member of the Alumni Board of Directors of SMU. She is also a member of the Dallas Assembly and Young Presidents Organization.

## ***New Law Requires Brokers to Provide Minimum Services to Clients***

Effective September 1, 2005, revisions to The Real Estate License Act (the Act) made by the 79<sup>th</sup> Legislature under Senate Bill 810 address many of the concerns raised by the real estate industry regarding minimum service standards. Under the new law, a broker who represents a party in a real estate transaction or who lists real estate for sale under an exclusive agency agreement is considered the party's agent. As the agent, the broker may not instruct another broker to violate an existing statutory provision that prohibits a licensee from negotiating a real estate transaction with a party who is represented in an exclusive agency relationship with another broker. In addition, the broker must inform the client if the broker obtains material information related to the transaction. Finally, the broker is required to, at a minimum, answer the party's questions and present any offer to or from the party.

Taken as a whole, these provisions require a broker who represents a client to present all offers to the client and answer the client's questions. To the extent the broker obtains any other material information related to the transaction, the broker is obligated to pass such information on to the client.

Several exceptions to the general rules described above are also part of the new law. A licensee holder acting under a power of attorney (POA) or a property management agreement (PMA) that gives the licensee the legal authority to bind the client to a lease or sale is considered a party to the lease or sale. This means that the licensee acting under such a POA or PMA is not required to communicate all offers to the client. Thus, the terms of the POA or PMA would define the licensee's authority to act on behalf of the client.

The new law also provides that an inquiry to an employee of a builder or developer about contract terms or forms does not violate the prohibition against negotiation with a represented party if the builder or developer employee does not have authority to bind the employer to the contract. Thus, the agent for the other party, presumably the buyer in this case, may discuss contract terms or forms with the employee without violating the Act.

Senate Bill 810 provides for a delivery exception to the provision in the Act that prohibits a licensee from negotiating a real estate transaction with a party who is represented by another broker under an exclusive agency agreement. The delivery of an offer to a party does not violate this provision if the party's broker consents to the delivery, a copy of the offer is sent to the party's broker, and the person delivering the offer does not engage in any other activity that directly or indirectly violates the prohibition against negotiation with a represented party. Thus a broker can deliver, fax, or send offers or counteroffers to a party as long as the party's broker consents to the deliver and a copy of the offer or counteroffer is simultaneously sent to the party's broker.

Finally, the new law provides that if the party is a governmental agency using a sealed bid process that does not allow a copy of an offer or counteroffer to be sent to the broker, the broker is not required to send a copy of the offer to the other party's broker.

Senate Bill 810 made several other important changes to the Act that are addressed in other articles in this month's issue of the *TRECAdvisor* or on the website at [www.trec.state.tx.us](http://www.trec.state.tx.us).

*Senate Bill  
810  
79th Regular  
Session*

## ***Information for Inspector Licensees***

**Inspectors with license expiration dates of  
January 31, 2006 and after  
must complete**

**16 hours of continuing education  
to renew their inspector license.**

**The new continuing education requirements apply to  
apprentice inspectors, real estate inspectors, and  
professional inspectors.**



# Disciplinary Actions

## May 2005—July 2005

### Consumer Complaints

**Lauhon, Debra J.**  
(San Antonio); license #480357

Revocation of salesperson license, effective May 6, 2005; obtaining a real estate license by making a material misstatement in a license application by failing to disclose 2 criminal convictions for felony theft, 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]

**Sandoval, Hector R. Enriquez**  
(Fort Worth); license #411525

Revocation of broker license, effective May 11, 2005; HR & Associates, Inc., by and through Mr. Sandoval, acted as a buyer's agent and took possession of an earnest money check refunded to the buyer, endorsed the check with the buyer's name, included a fictitious driver's license number on the check, and deposited it into his business operating account without the knowledge or consent of the buyer, in violation of §§1101.652(b)(1)&(2) of the Texas Occupations Code. Mr. Sandoval used some of the funds for the buyer's earnest money on a subsequent contract; however, after the buyer demanded return of monies held, Mr. Sandoval continued to hold at least some monies and failed to account for the monies held, in violation of §§1101.652(b)(9)&(10) of the Texas Occupations Code

**HR & Associates, Inc.**  
(Fort Worth); license #502063

Revocation of broker license, effective May 11, 2005; HR & Associates, Inc., by and through broker owner and designated officer Hector R. Enriquez Sandoval, acted as a buyer's agent and took possession of an earnest money check refunded to the buyer, endorsed the check with the buyer's name, included a fictitious driver's license number on the check, and deposited it into the business operating account without the knowledge or consent of the buyer, in violation of §§1101.652(b)(1)&(2) of the Texas Occupations Code. HR & Associates, Inc., by and through broker owner and designated officer Hector R. Enriquez Sandoval, used some of the funds for the buyer's earnest money on a subsequent contract; however, after the buyer demanded return of monies held, the corporate broker continued to hold at least some monies and failed to account for the monies held, in violation of §§1101.652(b)(9)&(10) of the Texas Occupations Code

**Mena, San Juanita**  
(Houston); license #496176

Agreed reprimand of salesperson license, entered May 13, 2005; acted negligently or incompetently, engaged in conduct which constituted dishonest dealings, bad faith or untrustworthiness, failed to within a reasonable time account for or remit money belonging to another, and commingled money that belonged to another person with the license holder's own money, in violation of §§1101.652(b)(1), 1101.652(b)(2), 1101.652(b)(9), and 1101.652(b)(10) of the Texas Occupations Code respectively; and failed within a reasonable time to provide information requested by the Commission in violation of §1101.652(a)(6) of the Texas Occupations Code

**Straub, Richard L.**  
(El Paso); license #393616

Revocation of broker license, revocation of approval as a proprietary school instructor and as a mandatory continuing education instructor, effective May 13, 2005; revocation of broker license under §1101.655(a) of the Texas Occupations Code and revocation of approval as a proprietary school instructor and as a continuing education instructor under 22 TAC §535.66(f)(5), based upon a payment from the Real Estate Recovery Trust Account [§1101.602 of the Texas Occupation Code] to satisfy all or part of a judgment rendered against Richard L. Straub, who had engaged in conduct which violated §1101.652(b)(2) of the Texas Occupations Code

**Russell, Wayne Edward**  
(Sugar Land); license #120078

Agreed 3 month suspension of broker license, fully probated for 6 months, effective June 1, 2005; acted 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)(W) of the Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]; engaged in conduct which constituted dishonest dealings, bad faith or untrustworthiness, in violation of §15(a)(6)(V) [§1101.652(b)(2) of the Texas Occupations Code, effective June 1, 2003]

**Guidry, Cassandra Denise**  
(Houston); license #454055

Agreed 1 year suspension fully probated for 2 years, effective June 6, 2005; acted 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)(W) of the Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]; engaged in conduct which constitutes dishonest dealings, bad faith, or untrustworthiness, in violation of §15(a)(6)(V) [§1101.652(b)(2) of the Texas Occupations Code, effective June 1, 2003]; failed to, within a reasonable amount of time, properly account for or remit money belonging to another person and commingled money that belongs to another person with the license holder's own money, in violation of §15(a)(6)(E) of the Real Estate License Act [§1101.652(b)(9) and 1101.652(b)(10) of the Texas Occupations Code, effective June 1, 2003]; engaged in misrepresentation or dishonest action when renting real property in the license holder's own name, in violation of §15(a)(3) of the Real Estate License Act [§1101.652(a)(3) of the Texas Occupations Code, effective June 1, 2003]

**Otis, David Michael**  
(Humble); license #424039

Agreed reprimand of broker license, entered June 10, 2005; acted negligently or incompetently in representing a buyer and a seller in the same transaction without proper consent for intermediary, 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]; failed to provide the Information About Brokerage Services form to a party to a real estate transaction at the time of the first substantive dialogue with the party, in violation of §15C(d) of The Real Estate License Act [§1101.558 of the Texas Occupations Code, effective June 1, 2003]

**Vickery, Helen L.**  
(Port Arthur); license #186588

Agreed 3 month suspension of broker license fully probated for 6 months, effective June 13, 2005; acted 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)(W) of

#### Calendar of Events

##### Commission Meetings:

October 17, 2005  
December 5, 2005  
February 13, 2006  
(Austin)

##### Broker-Lawyer Committee Meetings:

None at this time

##### Inspector Committee Meetings:

September 29-30, 2005  
(Austin)

##### Web site:

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

##### Phone

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

the Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]; failed to within a reasonable amount of time properly account for or remit money belonging to another person, 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]

**Anderson, Reginald Tyrone  
(Houston); license #448260**

Agreed 1 month suspension of broker license fully probated for 6 months, effective June 15, 2005; Agreed administrative penalty of \$250, entered June 10, 2005; acted negligently or incompetently in failing to fill in the date of execution on a contract and in orally negotiating an extension of the option period but failing to obtain a written extension, 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]

**Johnson, Billy Mark  
(Dallas); license #478314**

Revocation of salesperson license, effective June 20, 2005; leased and managed property through his broker for an owner and personally leased the property but failed to pay rent for the first 7 months of the lease and did not properly manage the property or keep the owner informed of significant information, in violation of §1101.652(a)(3) of the Texas Occupations Code, §1101.652(b)(1)&(2) of the Texas Occupations, and 22 TAC §535.156(c) of the Rules of the Texas Real Estate Commission

**Pellon, Eduardo  
(Katy); license #488365**

Agreed reprimand of salesperson license, entered June 29, 2005; Agreed administrative penalty of \$2,000, entered June 29, 2005; permitting an unlicensed assistant to engage in real estate brokerage activities, in violation of §1101.652(b)(26) of the Texas Occupations Code; failing to fill in contract execution dates and ensuring that the buyer received the seller's disclosure notice in violation of §1101.652(a)(1) of the Texas Occupations Code

**Carlile, Heather Renee  
(Willis); license #443914**

Agreed 3 months suspension of salesperson license fully probated for 1 year, effective July 1, 2005; Agreed administrative penalty of \$500, entered June 28, 2005; acted 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)(W) of the Real Estate License Act, Article 6573a, Texas Civil Statutes [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]; accepting compensation for a real estate transaction from a person other than the broker with whom the salesperson is associated with or was associated with when the salesperson earned the compensation, in violation of §1(d) and §15(a)(5) of the Real Estate License Act, Article 6573a, Texas Civil Statutes [§1101.651(b) and §1101.652(a)(9) of the Texas Occupations Code, effective June 1, 2003, respectively]; publishing or causing to publish an advertisement in a manner that tends to create a misleading impression, in violation of §15(a)(6)(P) of the Real Estate License Act, Article 6573a, Texas Civil Statutes [§1101.652(b)(23) of the Texas Occupations Code, effective June 1, 2003]

**Abad, Martha  
(Houston); license #459633**

Agreed reprimand of salesperson license, entered July 6, 2005; Agreed administrative penalty of \$250, entered July 6, 2005; acted negligently or incompetently when she, acting as seller's agent, drafted a listing agreement on a form not appropriate for a listing agreement, in violation of §1101.652(b)(1) of the Texas Occupations Code

**Edney, Delois Gail  
(Kilgore); license #422770**

Agreed reprimand of salesperson license, entered July 6, 2005; acted negligently or incompetently in ordering repairs to a rental house and deducting payment from rent forwarded to the owner in the absence of permission from her client to contract for repairs, in violation of Section 1101.652(b)(1) of the Texas Occupations Code

**DFW Associates LTD  
(Coppell); license #335419**

Agreed reprimand of broker license, entered July 14, 2005; Agreed administrative penalty of \$250, entered July 14, 2005; acted negligently or incompetently in failing to adequately supervise a salesperson's advertising efforts, 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 §1(c) of The Real Estate License Act [§1101.803 of the Texas Occupations Code, effective June 1, 2003]; published, through a salesperson, an advertisement that tended to create a misleading impression that suggested that a home would be sold at a specific time through a foreclosure auction, when the property was not yet in foreclosure, and the highest bid was subject to the approval of a third party, 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]

**Irizarry, Sandra  
(Katy); license #504313**

Agreed 3 months suspension of salesperson license fully probated for 1 year, effective July 15, 2005; Agreed administrative penalty of \$500, entered July 11, 2005; acted negligently or incompetently in (1) rejecting a purchase offer on behalf of a client in the absence of specific instruction from the client to reject the offer and (2) failing to make arrangements with a title company to deduct a payment she agreed to pay from her commission at 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]

**Darnell, Brian L.  
(Friendswood); license #491656**

Agreed 3 months probated suspension of salesperson license fully probated for 1 year, effective July 18, 2005; Agreed administrative penalty of \$500, entered July 15, 2005; acted 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)(W) of the Real Estate License Act, Article 6573a, Texas Civil Statutes [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]; negotiated the sale of property with an owner knowing that the owner had a written outstanding contract, granting exclusive agency in connection with the transaction to another real estate broker, in violation of §15(a)(6)(N) of the Real Estate License Act, Article 6573a, Texas Civil Statutes [§1101.652(b)(22) of the Texas Occupations Code, effective June 1, 2003]; publishing an advertisement which is misleading, or which is likely to deceive the public, in violation of §15(a)(6)(P) of the Real Estate License Act, Article 6573a, Texas Civil Statutes [§1101.652(b)(23) of the Texas Occupations Code, effective June 1, 2003]

**Bailey, Betty Jean  
(Tyler); license #125609**

Agreed reprimand of broker license, entered July 19, 2005; Agreed administrative penalty of \$500, entered July 19, 2005; acting

negligently or incompetently in performing an act for which a person is required to hold a real estate license by failing to adequately monitor her client's contractual obligations, resulting in her client's failure to pay for certain completed repairs, her client being overpaid at closing, and also contributing to confusion regarding her client's obligations for repairs, in violation of § 1101.652(b)(1) of The Texas Occupations Code; conduct which constitutes dishonest dealings, bad faith or untrustworthiness, in violation of § 1101.652(b)(2) of The Texas Occupations Code

**Simmons, Steven Dean**  
(Pflugerville); license #511573

Agreed reprimand of salesperson license, entered July 19, 2005; Agreed administrative penalty of \$500, entered July 19, 2005; performing real estate brokerage services and accepting fees or commissions while salesperson's real estate license was expired, in violation of § 1101.351(a) of the Texas Occupations Code and § 1101.652(a)(9) of the Texas Occupations Code; and attempting to procure a real estate license by making material misstatements of fact in an application for late renewal of salesperson license by failure to provide complete and accurate responses, in violation of § 1101.652(a)(2) of the Texas Occupations Code

**Lemoine, Jane Diane**  
(Houston); license #397644

Agreed 1 month suspension of salesperson license, effective July 25, 2005; Agreed administrative penalty of \$250, entered July 15, 2005; procured a real estate license by making a material misstatement of fact in an application for a real estate license, in violation of § 1101.652(a)(2) of the Texas Occupations Code

**Thomason, Trudy Ann**  
(Odessa); license #257517

Agreed reprimand of broker license, entered July 25, 2005; Agreed administrative penalty of \$500, entered July 25, 2005; procuring a real estate broker license by making a material misstatement of fact in an application for broker license by failure to indicate a pending complaint against salesperson license, in violation of § 1101.652(a)(2) of the Texas Occupations Code

**Edwards, Mary Walker**  
(Mount Pleasant); license #263377

Agreed reprimand of salesperson license, entered July 28, 2005; Agreed administrative penalty of \$250, entered July 28, 2005; acted negligently or incompetently in entering into a listing agreement stating "No Intermediary" because "Broker exclusively represents sellers and does not represent buyers" and also "With the Possibility of Appointments," when the broker does in fact represent buyers, in violation of § 1101.652(b)(1) of the Texas Occupations Code

**Lilly, Marcia Carol**  
(Mount Pleasant); license #462252

Agreed reprimand of broker license, entered July 28, 2005; Agreed administrative penalty of \$250, entered July 28, 2005; acted negligently or incompetently and in bad faith in retaining an earnest money check from a buyer whom he represented when the buyers indicated that they were having second thoughts about their purchase, although their contract did not include an option to terminate, and returning the earnest money check to the buyers when they decided not to purchase the property, in violation of § 1101.652(b)(1) and § 1101.652(b)(2) of the Texas Occupations Code; failed to deposit an earnest money check in trust with a title company, in violation of § 1101.652(b)(30)(A) of the Texas Occupations Code

## Administrative Complaints

**Carter, Rebecca Leigh**

(Austin); license #488717

Agreed reprimand of salesperson license, entered April 4, 2005; Agreed administrative penalty of \$250, entered April 4, 2005; 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

**Darbonne, Todd John**  
(Houston); license #513359

Agreed reprimand of salesperson license, entered April 5, 2005; Agreed administrative penalty of \$250, entered April 5, 2005; failing 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(c) of the Rules of the Texas Real Estate Commission

**Kniejski, Celina Garcia**  
(Von Ormy); license #487251

Revocation of salesperson license, effective April 5, 2005; failing 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(c) of the Rules of the Texas Real Estate Commission

**Blanton, Larry J. Jr.**  
(Dallas); license #480482

Agreed reprimand of salesperson license, entered April 7, 2005; Agreed administrative penalty of \$250, entered April 7, 2005; 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

**Sharp, Boyd Franklin**  
(Austin); license #479909

Agreed reprimand of salesperson license, entered April 11, 2005; Agreed administrative penalty of \$250, entered April 11, 2005; 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

**Kirchhoff, John Edwin**  
(Temple); license #225594

Revocation of broker license, effective April 13, 2005; 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

**Hines, Andrew H.**  
(Greenville, South Carolina); license #477905

Revocation of salesperson license, effective April 13, 2005; 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

**Dickson, Robbie Mae**  
(Dallas); license #261757

Agreed reprimand of broker license, entered April 28, 2005; Agreed administrative penalty of \$250, entered April 28, 2005; 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

**Dickson, Maloyce**  
(Dallas); license #335179

Agreed reprimand of salesperson license, entered April 28, 2005; Agreed administrative penalty of \$250, entered April 28, 2005; 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

**Stephens, Brian Robert**  
(Double Oak); license #500561

Agreed reprimand of salesperson license, entered April 29, 2005; Agreed administrative penalty of \$250, entered April 29, 2005; failing 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(c) of the Rules of the Texas Real Estate Commission

**Duckworth, Barbara Walker**  
(Spring); license #313044

Agreed reprimand of broker license, entered June 2, 2005; Agreed administrative penalty of \$250, entered June 2, 2005; 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

**Diaz, Daniel Antonio**  
(San Antonio); license #490106

Revocation of salesperson license, effective June 9, 2005; failing 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(c) of the Rules of the Texas Real Estate Commission

**Platt, Todd L.**  
(Plano); license #304091

Revocation of broker license, effective June 9, 2005; 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

**Honeycutt, Gayla Ann Gayden**  
(Houston); license #396754

Agreed reprimand of salesperson license, entered June 9, 2005; Agreed administrative penalty of \$250, entered June 9, 2005; 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

**Buchanan, Phaedra Young**  
(Lewisville); license #489456

Revocation of salesperson license, effective June 10, 2005; 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

**Richards, R. Barrett**  
(Dallas); license #516007

Agreed reprimand of salesperson license, entered June 13, 2005; Agreed administrative penalty of \$250, entered June 13, 2005; 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

**Ladjevardian, Mohammad**  
(Houston); license #302570

Agreed reprimand of broker license, entered June 17, 2005; Agreed administrative penalty of \$250, entered June 17, 2005; 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

**Pool, Nicole Maria**  
(Houston); license #471655

Agreed reprimand of salesperson license, entered June 20, 2005; Agreed administrative penalty of \$250, entered June 20, 2005; 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

**Stephens, Lisa M.**  
(Ingleside); license #490326

Revocation of salesperson license, effective June 20, 2005; 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

**Stevenson, Josephine Scardetta**  
(San Antonio); license #489619

Agreed reprimand of salesperson license, entered June 22, 2005; Agreed administrative penalty of \$250, entered June 22, 2005; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC

**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 required 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. (A license subject to SAE cannot renew without education being completed.)

Renewal forms are sent out to all licensees and may also be obtained on our web site. 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 have 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.

§535.92(f) of the Rules of the Texas Real Estate Commission

**Martin, John Carter III**  
(Friendswood); license #466909

Agreed reprimand of salesperson license, entered June 28, 2005; Agreed administrative penalty of \$250, entered June 28, 2005; 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

**Kenney, William Tracy**  
(Austin); license #348299

Agreed reprimand of salesperson license, entered July 7, 2005; Agreed administrative penalty of \$250, entered July 7, 2005; 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

**McClure, Beth Ann**  
(Austin); license #475203

Agreed reprimand of salesperson license, entered July 11, 2005; Agreed administrative penalty of \$250, entered July 11, 2005; 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

**Parker, Gregory Dean**  
(Austin); license #339774

Agreed reprimand of broker license, entered July 21, 2005; Agreed administrative penalty of \$250, entered July 21, 2005; failing to 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

**Check out the TREC web site [www.trec.state.tx.us](http://www.trec.state.tx.us) for *ONLINE* filing of applications and renewals, useful consumer information and downloads, and FAQs concerning Enforcement, Inspectors, and Education.**

## FYI

The Broker-Lawyer Committee was originally created through the adoption of a "Statement of Principles" by the State Bar of Texas and the Texas Real Estate Commission on July 1, 1974.

In 1983, because of anti-trust concerns, the Real Estate License Act was amended to make this a statutory committee and all of the then serving members of the committee were appointed to the statutory committee.

The first form promulgated by the committee was a residential form involving the assumption of an existing loan. This was before "due on sale" clauses in mortgages and assumptions were a "hot" market in the 1970s because of increasing interest rates for new loans.

## **Broker Lawyer Committee Reviewing Contracts and Addenda**

The Broker Lawyer Committee hopes to submit revised forms to the Commission at the next Commission meeting on October 17, 2005. This is the first step in the process to adopt six revised contracts and four addenda. If the Commission approves the proposed forms, they will be sent to the Texas Register along with the rule text proposing them for adoption. Once the Register publishes the proposed rule, there is a thirty day comment period in which the rule text and drafts of the forms will be available on the TREC web site.

The Commission could consider the rule text, contracts and addenda as early as its December 5, 2005 meeting. They would not be mandatory before January 1, 2006.