



TREC Advisor

Texas Real Estate Commission ★ Volume 17, Number 1 ★ January 2006

Commission Proposes Changes to Six Contracts and Four Addenda

At its meeting on December 5, 2005, the Texas Real Estate Commission proposed to adopt by reference 6 revised contract forms and 4 addenda, including TREC No. 20-7, One to Four Family Residential Contract (Resale). The bulk of the proposed revisions address paragraphs 4, 6, 18, and 23. In addition, there were several formatting changes to improve readability and provide consistency with all forms. Highlights of the revisions to TREC No. 20-7 follow. For a complete summary of all the proposed revisions, visit the TREC website at www.trec.state.tx.us. Comments on the proposed forms can be directed to draft-contracts@trec.state.tx.us

Para 4. Financing

- Clarifies that the contract is made subject to the approval of the property and if Paragraph 4A(2)(a) applies, the contract is also subject to financing approval of buyer pursuant to the Third Party Financing Condition Addendum
- Revises Paragraph 4C to remove clause regarding interest rate as the provision is in the Third Party Financing Addendum

Para 6. Title Policy and Survey

- Paragraph 6B - removes "mail or hand" before "deliver"
- Paragraph 6C
 - Reformats by moving the provision related to the existing survey to Paragraph 6C(1)
 - New sentence in Paragraph 6C(1) clarifies that if the seller fails to deliver the existing survey and Residential Real Property Affidavit within the time required, the buyer may obtain a new survey no later than three days before the closing date at the seller's expense
- Paragraph 6D
 - Changes the objection period to require buyer to object not later than the earlier of the closing date or the negotiated number of days after buyer received the commitment, exception documents, and the survey
 - Adds a new sentence stating that if Paragraph 6C(2) applies, the buyer is deemed to have received the survey on the date specified in Paragraph 6C(2) or the actual date of receipt, whichever date is earlier
 - Adds "Provided Seller is not obligated to incur any expense," to provision that requires the Seller to cure the timely objections of Buyer or any third party lender
- Paragraph 6E
 - New notice under Paragraph 6E(6) is a statutorily required notice that a seller of property located in a certificated service area of a utility service provider must give to a buyer
 - New notice under Paragraph 6E(7) is a statutorily required notice that a seller of property in a public improvement district (PID) must provide to a buyer

Para 18. Escrow

- Reformats to clarify obligations of the parties related to the earnest money and to provide for additional incentives for prompt release of the earnest money.
- Adds Paragraph 18C to provide that upon termination of the contract, either party may send a release to the other party and the escrow agent and the parties will execute the appropriate documents and return them to the escrow agent. If one party makes demand on the escrow agent for the return of the earnest money, the escrow agent should send the demand to the other party. If the other party does not object within 15 days (shortened from 30 days), the escrow agent may disburse the earnest money to the demanding party.
- Adds Paragraph 18D to provide that if a party wrongfully refuses or wrongfully fails to sign a release, the party entitled to the earnest money is entitled to liquidated damages of three times the amount of the earnest money.

Para 23. Termination Option

- Modifies to provide that the option fee may be paid within two days after the effective date of the contract. If the buyer fails to timely pay the option fee, the buyer will not have an option under the contract. Consideration supporting the option would be in two parts: the option fee and nominal consideration, receipt of which is acknowledged.

Other changes to One to Four Family Residential Contract (Resale)

- A box is placed around the effective date to call more attention to the brokers to complete the effective date upon final acceptance of the contract.
- The blanks for the parties' initials are deleted from the signature page.
- The seller's receipt of the option fee on the last page is modified so that the listing broker may acknowledge receipt of the option fee.
- Lines for e-mail addresses are added to Paragraphs 21, 24, and to the Broker Information and Ratification of Fee Box on the last page.

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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.

December 5, 2005

The Texas Real Estate Commission held its regularly scheduled meeting at the TREC headquarters in Austin, Texas on Monday, December 5, 2005. Chairman John Walton presided.

After staff reports, the Commission voted to approve payment of two claims against the Recovery Trust Account, one for \$5,000 and one for \$7,000. The Commission voted to oppose payment of a claim for \$100,000.

The Commission voted to adopt amendments to 22 TAC §535.210 concerning Fees for Inspector Licenses, §535.216 concerning Renewal of License or Registration, and §535.218 concerning Inspector Continuing Education. The Commission voted to adopt amendments to 22 TAC Chapter 543 concerning Rules Relating to the Provisions of the Texas Timeshare Act. (see page 7)

The Commission voted to Propose amendments to 22 TAC §§537.11, 537.20, 537.28, 537.30, 537.31, 537.32, 537.37, 537.43, 537.44, 537.46, and 537.47 concerning standard contract forms. (see page 7)

After discussion, the Commission voted to renew for an additional 60-day period emergency rules concerning 22 TAC §535.63 regarding an extension of time for salespersons impacted by Hurricane Rita to complete annual education requirements; 22 TAC §535.92 regarding an extension of time for brokers and salespersons impacted by Hurricane Rita to complete mandatory continuing education; 22 TAC §535.216 regarding extension of time for licenses home inspectors impacted by Hurricane Rita and Katrina to complete continuing education requirements; 22 TAC §535.4 regarding Temporary Emergency Real Estate Licenses for salespersons and brokers licensed in Louisiana, Mississippi, and Alabama who are unable to continue to practice or reside in the areas of those states impacted by Hurricane Katrina; and 22 TAC §535.211 regarding Temporary Emergency Real Estate Inspector Licenses for home inspectors licensed in Louisiana, Mississippi, and Alabama who are unable to continue to practice or reside in the areas of those states impacted by Hurricane Katrina.

The commission approved staff's request to the Legislative Budget Board for allowing two additional staff positions for FY 2006-2008.

The commission denied a motion for rehearing in the Matter of Tiffany Tia Thompson.

The next meetings of the Commission are scheduled for February 13, 2006 and April 3, 2006 in Austin at TREC Headquarters.

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 form 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

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.



Official publication of the
Texas Real Estate Commission
Volume 17, Number 1
January 2006

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



Texas Real Estate Commission Annual Report for Fiscal Year 2005

Statutory Changes

As part of its 79th Regular Session in 2005, the Texas Legislature made a number of revisions to the Real Estate License Act (now chapters 1101 and 1102 of the Texas Occupations Code). Perhaps the one change most affecting real estate licensees was the clarification of a broker's duties to his or her client when providing representation as an agent. Section 1101.557 provides that a broker who represents a party in a real estate transaction is that party's agent and must inform the client of any material information related to a transaction, answer the party's questions and present any offers to or from the party, and may not instruct another broker to negotiate directly with his or her client. These provisions are referred to as establishing "minimum broker services" when a broker agrees to represent a client in an exclusive listing agreement or as a buyer's representative.

Revisions to the Real Estate License Act modified the educational process for new salesperson candidates. It stated that an applicant for a salesperson license must complete 150 hours of core real estate course work prior to taking the real estate license examination and complete the remaining 60 hours of core real estate courses during the first year of licensure. This will move all new licensees into the mandatory continuing education cycle after the first year as a salesperson.

A major rewrite of the Texas Timeshare Act was achieved during the 79th Regular Session and signed into law by Governor Perry. The provisions take into consideration new forms of timeshares, club memberships, and non-equity destination clubs which have entered the market since the original Act was adopted twenty years ago.

Another law established a new arbitration process for disputes between a property owner and an appraisal review board as to the value of real estate. When such a disagreement cannot be solved through discussion, a property owner may file a request with the Office of the Comptroller for binding arbitration. An arbitrator will be chosen to make a determination as to the appropriate appraised value of the property. Only brokers, salespersons, and appraisers who have completed a 30 hour arbitration course and filed with the Comptroller's office can serve as an arbitrator.

More Licensees

Fiscal Year 05 closed on August 31, 2005 with a total of 137,563 licensed real estate brokers and salespersons, 4,037 licensed inspectors, and 985 easement or right-of-way registrants. There has been an increase in real estate licensees consistently every month over the past five years. Moreover, there is every indication that the trend will continue into the immediate future as more and more Texans seek to obtain a real estate license and a high percentage of licensees decide to renew.

This continuing influx of licensees can be seen in the "pipeline" from transcript evaluation (where one finds out how many classes must be completed before filing an application) to original application (where one obtains approval to take a real estate examination) and on to individuals examined (the number who take an examination at a testing center) ending up with new licenses issued. At each of these stages, the increase

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Growth in Real Estate Licensees over the past five years

	<i>FY01</i>	<i>FY02</i>	<i>FY03</i>	<i>FY04</i>	<i>FY05</i>	<i>5 Year Change</i>
Transcript Evaluations	16,897	20,378	22,346	27,190	31,421	+86.0%
Original Applications	11,941	16,668	17,298	18,226	21,556	+80.5
Individuals Examined	11,768	16,534	15,482	19,369	23,440	+99.2
Licensed Salespersons	72,318	78,086	82,296	88,421	97,126	+34.3
Licensed Brokers	39,673	39,659	39,366	39,691	40,437	+1.9
Licensed Inspectors	2,196	2,399	2,599	3,077	4,037	+83.8

**Fiscal Year 05
Applicant Examination
Pass Rate**

Broker	93.9%
Salesperson	84.7
Professional Inspector	61.7

over the past five years has been substantial, resulting in an overall 34.3% increase in licensed salespersons.

While more individuals are attempting to obtain real estate licensure, the pass rate on the salesperson examination has increased. The broker pass rate increased from 91.4% in FY03 to 93.9% in FY05 while the salesperson pass rate went from 77.6% two years ago to a pass rate of 84.7% in FY05. This is a good sign for continuing a high level of service and competency among real estate professionals in Texas. The pass rate for professional inspector candidates has also increased from only 45.0% in FY03 to 61.7% last year. Inspector candidates are limited to three attempts in a six month period while there is no limit on salesperson and broker candidates.

License renewal rates remained roughly the same as in previous years with approximately nine of every ten brokers choosing to retain their license. Nearly as high a percentage of experienced salespersons (those with two-year licenses) renewed their licenses in FY05 while more than three-fourths of newer salespersons (those still under Salesperson Annual Education) decided to keep their real estate license. Given the number of possible reasons why an individual might not renew, these percentages are quite high and indicate a desire to retain licensure whether or not one is actively involved in the profession. In fact, approximately 20% of all real estate licenses (28,145) are "inactive," held by those who wish to retain a license for possible future use.

FY05 License Renewal Rates

Broker Timely Renewal	89.8%
Salesperson 2 year License Renewal	82.9
Salesperson 1 year License Renewal	76.0

FY05 Texas Online Transactions

License Applications	68.1%
Broker License Renewals	28.7
Salesperson Renewals	31.9

Online Services

The Texas Real Estate Commission has long been dedicated to providing as many services as possible on the Internet to increase the convenience and ease of use by licensees and the public. The Commission's web site (www.trec.state.tx.us) has long been recognized as one of the best among real estate licensing entities and among State of Texas agencies. From the wealth of forms and materials available to the "licensee lookup" function which includes all education records, to the online distribution of the TRECAdvisor newsletter, TREC's web page provides a quick and handy reference to all aspects of real estate regulation. In 2005, TREC received the outstanding web site award from the international Association of Real Estate License Law Officials (ARELLO), the second time it has been the recipient of this honor.

Since the year 2000, the Commission has provided a means by which individuals can renew their licenses online. Beginning first with salesperson renewals, this service now extends to virtually all license types. Additionally, salesperson applications can be made over the Internet. In Fiscal Year 2005, thousands of transactions were conducted online by individuals seeking to apply or renew a license with the Texas Real Estate Commission. Moreover, literally millions of Commission web pages were viewed by licensees and the public. Over one hundred thousand email addresses are now maintained on the TREC email notification system. Truly, the

(Continued from page 4)

Internet has changed the means by which this state agency can communicate with the public - both in providing information and in receiving requests and transactions.

Currently three in ten license renewals are made over the Internet by use of a credit card while nearly two-thirds of all license applications come via the Internet and the TexasOnline system. As more transactions become available and more individuals become familiar with the process, we anticipate that these percentages will increase substantially - providing additional convenience to the public while reducing processing time and effort by the Commission staff.

Related Programs

In addition to real estate and inspector licensing and regulation, the Texas Real Estate Commission has responsibility for a number of other programs. Easement or right-of-way agents who are not employed directly by a corporation for whom they provide services must register with TREC and pay an annual license fee. Companies desiring to sell homeowner warranty policies in Texas must be registered with TREC under the provisions of the Residential Service Company Act.

Any developer who wishes to sell timeshare interests in the State of Texas, regardless of the location of the specific timeshare property, must meet stringent registration requirements and be registered with the Commission. These may range from one-week packages at a specific resort to club membership which can be used at any of a number of locations to fractional ownership providing six to ten weeks occupancy in a townhouse or resort. Working with various industry representatives the Texas Real Estate Commission developed amendments to modify the Texas Timeshare Act and the changes were enacted by the 79th Regular Session of the Texas Legislature.

Three new members were selected to serve on the Texas Broker-Lawyer Committee: Bill Jones of Temple (completing the unexpired term of Rob Orr who was elected to the Texas House of Representatives), Judy Elliott of Amarillo, and Mary J. Steele of Houston. The committee continues its process of reviewing and revising promulgated contract forms and addenda, where appropriate. The Texas Real Estate Inspector Committee selected a new Chairman, John Cahill of Plano, and three new committee members were appointed: Curtis Carr of Beaumont, Phillip Stojanik of Houston, and Russell Strahan of Round Rock.

Real Estate Education

The Texas Real Estate Commission is responsible for oversight of many aspects of real estate education, including the registration of real estate providers, instructors and courses for both pre-licensure and continuing education. While accredited colleges and universities can provide pre-licensure real estate courses without TREC approval, any proprietary school or association wishing to offer pre-licensure courses must make application and obtain approval from the Commission. All continuing education providers, including accredited colleges and universities, must obtain TREC approval as a provider as well as for each continuing education course they wish to offer. At the end of Fiscal Year 05 there were 51 approved providers of pre-licensure education in Texas and 236 approved continuing education providers.

These totals reflect a sizeable increase in just two years as there were only 42 core education providers and 160 MCE providers at the end of FY03. Periodically, TREC Investigators conduct onsite audits of these education providers to ensure compliance with provisions of the Real Estate License Act (Chapter 1101, Texas Occupations Code).

During this past year the Commission approved two new continuing education courses which will be required of all salespersons and brokers beginning with 2007 license renewals. The new TREC Legal Update and Ethics courses are each three hours in length, must be taught by a certified instructor, and were developed by the Real Estate Center at Texas A&M University. These courses were an outgrowth of the Education Task Force headed by Commissioner Louise Hull. The courses were recognized by receiving the award as the outstanding Continuing Education Courses by ARELLO at its annual meeting in Toronto.

Other Registrants as of August 31, 2005

Easement or Right-of-Way Agents	985
Real Estate Instructors	2,346
Pre-Licensure Proprietary Schools	51
Continuing Education Providers	236
Registered Timeshare Properties	271
Residential Service Companies	19

(Continued on page 6)

FY05 Complaint Matters

	Opened
Public Complaints	1,909
Administrative Matters	1,710
License Application Investigations	581
Moral Character Determinations	385

Consumer Services

The Enforcement Division opened 4,585 complaint matters in FY05, consisting of both consumer concerns and administrative issues such as bad checks, failure to comply with license requirements, or failure to provide required information. Additionally, the Enforcement Division must undertake an investigation when an application or renewal indicates that a criminal violation may have occurred. Sometimes an applicant will seek advice as to whether he or she is likely to meet the standard of honesty, integrity, and trustworthiness required of a licensee before taking the requisite real estate courses and license examination. In these instances, the Enforcement Division is called upon to render a moral character determination providing advice to a potential applicant as to whether or not it is feasible to pursue a real estate license. The total number of

complaints opened has increased from 3,691 in FY03 to 4,585 in FY05, an increase of nearly twenty-five percent in two years.

Among the results from complaint matters taken to completion there were 93 instances of a reprimand or censure, 35 licensees placed on probation, 33 license suspensions, 57 license revocations, and 141 matters resulting in a fine or administrative penalty. While many of these outcomes were the result of a hearing conducted before the agency's Administrative Law Judge, still others were the result of an agreed order between the Enforcement Division and the licensee, similar to a plea bargain in a criminal case.

Performance Measures

In the current system of performance based budgeting, all state agencies are required to report on their ability to meet certain performance measures. In FY05, the Commission was able to once again meet or exceed all key performance measures developed by the Legislative Budget Board in conjunction with the Texas Legislature, except the measure requiring that 39% of all licenses be renewed online. The Commission also continued to receive high marks from both its clients (in the Customer Service Survey available to all who interact with TREC) and its staff (in the Survey of Organizational Excellence conducted by the University of Texas). Once again, TREC was pleased to receive recognition for the highest percentage employee participation in the State Employee Charitable Campaign for all agencies in its size group.

**Texas Real Estate Commission
Fees & Payments Collected
Fiscal Year 2005**

License Fees Collected for State General Revenue Account	\$7,050,000
License Fees Collected For Real Estate Center, Texas A&M	2,638,935
License Fees Collected for TexasOnline Authority	282,661
Deposits to Real Estate Recovery Trust Account	441,584
Deposits to Real Estate Inspection Recovery Fund	139,758
FEES COLLECTED FOR OTHER ENTITIES	\$10,552,938
License Fees Retained by Texas Real Estate Commission	\$7,176,396
Subscription Fees and Other Payments to TREC	188,506
Other Revenue	81,980
TOTAL REVENUE COLLECTED	\$17,999,820

In the past fiscal year, the Texas Real Estate Commission collected nearly eighteen million dollars in fees and other revenue. Of this amount, less than four million dollars was available for expenditures by the Commission. Although the amount of revenue may vary each year due to the number of individuals who renew or obtain a new license, the agency is appropriated a fixed sum of money by the General Appropriations Act and cannot spend beyond that amount.

Disposition of Revenue Received Fiscal Year 2005

Total Revenue Collected	\$17,999,820
-Fees Collected for Other Entities	[10,552,938]
-Payments for Services to Other State Agencies	[987,127]
-Agency Income Returned to State General Revenue	[2,518,178]
FUNDS REMAINING FOR TREC EXPENDITURES	\$3,941,577

While the agency received approximately eighteen million dollars in revenue during FY05, 78% of that sum was directed to other agencies or entities of Texas government. The actual appropriated expenditures per licensee, the amount spent directly by TREC, was \$27.09 per licensee or registrant in FY05.

Rules Adopted at the December 5, 2005 meeting of the Texas Real Estate Commission

(for text of rules go to www.trec.state.tx.us)

Rule Number	Topic of Rule	Summary of amendment
§§535.210, 535.216, 535.218	R. Real Estate Inspectors	The amendments to §535.210 concerning Fees, §535.216 concerning Renewal of License or Registration, and §535.218 concerning Inspector Continuing Education o implement revisions to Texas Occupations Code Chapter 1102 enacted during the 79 th Legislative Session, Regular Session, by Senate Bill 810, and reflect the fact that home inspector licenses will go from a one-year renewal to a two-year renewal cycle in 2006 as authorized by revisions to Texas Occupations Code Chapter 1102 enacted during the 78 th Legislative Session, Regular Session, by House Bill 1508. The amendments to §535.210 add a \$10 fee to be charged corporations and limited liability companies applying for a Texas professional inspector license, and clarify that the \$100 Inspector Recovery Fund fee does not apply to corporations and limited liability companies that apply for a professional inspector license. The amendments to §535.216 clarify that in order to renew a professional inspector license issued to a corporation or limited liability company, the entity must designate an officer, manager, or employee of the entity who meets the requirements of Chapter 1102, including continuing education requirements. The amendments to Section 535.218 clarify that a licensed apprentice, real estate or professional inspector must take the required hours of continuing education within the term of the current license, and further clarifies that the commission may not give continuing education course credit twice for the same course taken by a licensee within a 2-year period. The effective date of the amendments is December 29, 2005.
§§543.1-543.11	Rules Relating to the Provisions of the Texas Timeshare Act	<p>The amendments and new rules implement revisions to the Texas Timeshare Act, Chapter 221, Texas Property Code, enacted during the 79th Legislative Session, Regular Session, by House Bill 1045. The amendments are also adopted in connection with TREC's on-going review of its rules. Among other things, the amendments adopt by reference two revised and four new forms to be used by timeshare developers when registering a timeshare plan, amending a registration, obtaining authorization to conduct pre-sales of timeshares, and registering under an abbreviated registration process under limited circumstances.</p> <p>The amendments also revise the fee provisions that are applicable for each type of registration and clarify TREC's powers to conduct hearings, initiate disciplinary actions and assess administrative penalties. The effective date of the amendments and new rules is January 15, 2006.</p>

Rules Proposed at the December 5, 2005 meeting of the Texas Real Estate Commission

(for text of rules go to www.trec.state.tx.us)

Rule Number	Topic of Rule	Summary of amendment
§§537.11, 537.20, 537.28, 537.30, 537.31, 537.32, 537.37, 537.43, 537.44, 537.46, and 537.47	Professional Agreements and Standard Contracts	The amendments propose to adopt by reference 6 revised contract forms and 4 addenda. Texas real estate licensees are generally required to use forms promulgated by TREC when negotiating contracts for the sale of real property. These forms are drafted by the Texas Real Estate Broker-Lawyer Committee an advisory body consisting of six attorneys appointed by the President of the State Bar of Texas, six brokers appointed by TREC, and a public member appointed by the governor. Earliest possible date of adoption is February 13, 2006. A summary of the changes and drafts of the forms can be found on the TREC web site at www.trec.state.tx.us .



Disciplinary Actions October—November 2005

Consumer Complaints

Villanueva, Steven A.
(Humble); license #6676

Agreed reprimand of professional inspector license, entered October 21, 2005; Agreed administrative penalty of \$250, entered October 21, 2005; performed a real estate inspection in a negligent or incompetent manner by reporting both that conditions that can be symptoms of foundation distress were present in the structure and also that there were "no visible signs of foundation problems," in violation of §1102.301 of the Texas Occupations Code; failed to report the type of branch circuit wiring, in violation of 22 TAC §§ 535.230(c)(1) of the Rules of the Texas Real Estate Commission

Clark, Kevin Edward
(San Antonio); license #464181

Agreed reprimand of salesperson license, entered October 25, 2005; Agreed administrative penalty of \$1,000, entered October 25, 2005; utilizing an FHA inspection disclosure form for transactions not involving FHA financing, 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]; failing to obtain the buyer's written consent to intermediary, in violation of §15C(h)(1) of the Real Estate License Act, Article 6573a, Texas Civil Statutes [§1101.559(a)(1) of the Texas Occupations Code, effective June 1, 2003]

DeJamaer, Sjoerd Sibren
(Needville); license #476227

Agreed reprimand of salesperson license, entered October 25, 2005; Agreed administrative penalty of \$250, entered October 25, 2005; acted negligently and/or incompetently in performing an act for which a person is required to hold a real estate license in violation of §1101.652(b)(1) of the Texas Occupations Code by allowing the buyers to move into the property before closing without the seller's permission

Porter, Sharena Taylor
(Houston); license #498564

Agreed 3 month suspension of salesperson license, fully probated for 1 year, effective October 15, 2005; Agreed administrative penalty of \$1,000, entered October 6, 2005; acted negligently and/or incompetently in performing an act for which a person is required to hold a real estate license in violation of §1101.652(b)(1) of the Texas Occupations Code; engaged in conduct which constitutes dishonest dealings, bad faith, or untrustworthiness in violation of §1101.652(b)(2) of the Texas Occupations Code by submitting falsified documents to another party

Matte, John Francis
(San Antonio); license #138160

Agreed administrative penalty (broker) of \$250, entered November 14, 2005; failing to obtain a branch office license for a location where the broker maintains another place of business, in violation of §12(b) of The Real Estate License Act [§1101.552(c) of the Texas Occupations Code, effective June 1, 2003]

Wyche, Rodester
(Houston); license #139832

Agreed 6 month suspension of salesperson license, effective November 30, 2005; effective February 28, 2006 the remaining 3 months fully probated for 2 years; Agreed administrative penalty of \$500, entered November 22, 2005; acted negligently or incompetently in suggesting that buyers assume the loan of her seller clients and then procuring her attorney son's services to draft assumption documents, when the seller's loan prohibited assumption without written lender consent, and lender consent was not obtained, 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 furnish to the buyers the Information About Brokerage Services disclosure, in violation of §15(a)(5) of The Real Estate License Act [§1101.558 of the Texas Occupations Code, effective June 1, 2003]; commingled funds belonging to buyer by holding them in broker's business operating account, in violation of §15(a)(6)(E) of The Real Estate License Act [§1101.652(b)(10) of the Texas Occupations Code, effective June 1, 2003] and 22 TAC §535.146; drafted purchase contract on outdated version of TREC form, in violation of 22 TAC §537.11

Osborn, Charles Richard
(Sugar Land); license #502306

Agreed 1 month suspension of salesperson license fully probated for 1 year, effective November 30, 2005; Agreed administrative penalty of \$1,000, entered November 29, 2005; engaged in the business of a real estate salesperson within the state of Texas without first obtaining a real estate license, in violation of §1101.351 of the Texas Occupations Code; attempted to procure a real estate license for himself 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

Administrative Complaints

Baires, Alicia Nely
(Flower Mound); license #442680

Agreed reprimand of broker license, entered October 3, 2005; Agreed administrative penalty of \$250, entered October 3, 2005; 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

**Cranford, Christy Renee
(Lubbock); license #223232**

Revocation of salesperson license, effective October 4, 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

**Morris, Sylvia Jane
(Corpus Christi); license #495662**

Agreed reprimand of salesperson license, entered October 10, 2005; Agreed administrative penalty of \$250, entered October 10, 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

**Reeves, Donald Bellamy
(Burleson); license #516920**

Revocation of salesperson license, effective October 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

**Graves, Desiree Pamela Seaforth
(Houston); license #467482**

Revocation of salesperson license, effective October 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

**Blair, Tracy Catherine
(Austin); license #484953**

Agreed reprimand of salesperson license, entered October 17, 2005; agreed administrative penalty of \$250, entered October 17, 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

**Skeffington, Jackie P. Robbins
(Houston); license #441715**

Agreed reprimand of salesperson license, entered October 19, 2005; Agreed administrative penalty of \$250, entered October 19, 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

**James, Katherine Yvonne
(Austin); license #467776**

Agreed reprimand of salesperson license, entered October 21, 2005; Agreed administrative penalty of \$250, entered October 21, 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

**Rodriguez, Maria E.
(Garland); license #483865**

Agreed reprimand of salesperson license, entered October 24, 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

**Christopher, Mark Goodrich
(Mesquite); license #519550**

Agreed reprimand of salesperson license, entered October 27, 2005; Agreed administrative penalty of \$250, entered October 27, 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

Calendar of Events**Commission Meetings:**

February 13, 2006
April 3, 2006
(Austin)

Broker-Lawyer Committee Meetings:

February 2-3, 2006
(Austin)

Inspector Committee Meetings:

February 6, 2006
(Austin)

Web site:

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

Phone

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

**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 TREC's 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.



TREC OUTSTANDING EMPLOYEE

KIM HARRIS has been selected as the Outstanding Employee for the first half of calendar year 2005. Kim has been an employee of the Commission for almost ten years. She started out in Licensing and moved to the Communications department when it was formed. Her primary responsibility is answering telephone inquiries from licensees and the public. She is very knowledgeable of TREC's day to day operations. Kim answers routine calls and is an expert at recognizing and solving problems.

Kim is considerate of her co-workers and willingly assists them when necessary. A co-worker can go to Kim for information and be certain the information is accurate. Kim makes sure the job gets done accurately and efficiently. She is an asset to the department she works in and to the agency. TREC is proud to have Kim Harris as an employee.

TREC recognizes one employee semi-annually based on nominations of fellow employees. The nominees are evaluated on performance, teamwork, initiative, flexibility, leadership and other contributions to TREC's mission.

Best Wishes for the New Year Best Wishes for the from TREC

Check out the TREC web site
www.trec.state.tx.us for
ONLINE filing of applications
and renewals, useful consumer
information and downloads, and
FAQs concerning Enforcement,
Inspectors, and Education.