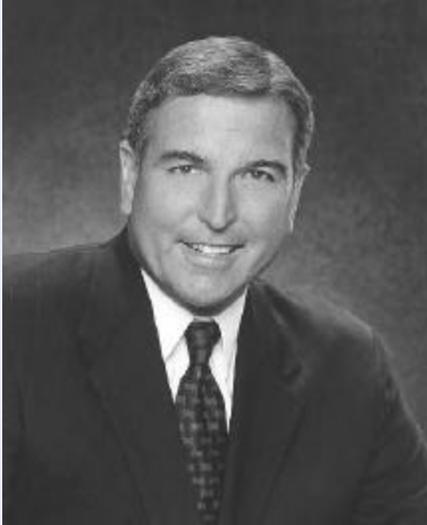




TREC Advisor

Texas Real Estate Commission p Volume 11, Number 4 • December 2000

ANNUAL REPORT FOR FY2000



Chairman Mike Brodie

The Texas Real Estate Commission (TREC) welcomed three new commissioners during Fiscal Year 2000 (September 1, 1999-August 31, 2000). James Austin, Jr. of Fort Worth and Lawrence Jokl of Brownsville were appointed by Governor Bush as broker members and attorney Ramon "Mick" Cantu of Houston was named as a public member for terms ending on January 31, 2005. Commissioner Michael Brodie of Plano was designated by the Governor as Chairman of the Commission in March, 2000.

The process of reviewing and reenacting all Commission Rules continued throughout the year with action being taken on those sections dealing with core and continuing education, licensure requirements and procedures, enforcement matters and disciplinary actions. Among the changes in education rules, providers are now accredited and instructors licensed for five year periods. Instructors are approved to teach all courses in a subject area rather than for each individual course they wish to teach. The prohibition on offering core and continuing education courses in a brokerage office was removed.

After much review by the Texas Real Estate Inspector Committee, the Commission enacted new Standards of Practice for home inspections which went into effect on September 1, 2000. A number of changes and modifications to addenda and contract forms also were proposed by the Texas Real Estate Broker-Lawyer Committee and subsequently adopted by the Commission.

During March, 2000, TREC held three public forums in Dallas, Houston, and Austin to receive licensee and consumer recommendations in the process of developing the Commission's Strategic Plan for fiscal years 2001-2005. Many of these recommendations were incorporated into the final document approved by

the Commission in May, 2000 as a guidepost for future TREC programs and policies. Throughout FY2000, Commissioners and staff provided technical assistance and met with various delegations of officials from China, Russia and Mexico who were seeking information on the process of licensing real estate professionals. A delegation from Oklahoma also traveled to Austin to discuss promulgated contract forms with staff and TREC's Chairman. In June, 2000, the Commission was pleased to host the ARELLO Southern District Conference which brought more than 150 real estate professionals and regulators to Austin for an information-filled three day event.

More Individuals Enter Profession

The past year also saw a slight increase in the number of real estate licensees in Texas, with the largest increase among salespersons. There has been a steady increase over the past four years in the number of new licenses issued by TREC as more individuals enter the real estate business. From 12,039 new individual licenses in FY1997, the number for FY2000 grew to 13,626 - an overall increase of 13.2% over four years. This trend also is reflected in the total number of examinations administered and the number of individuals examined over the

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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

Official publication of the
Texas Real Estate Commission
Volume 11, Number 4
December 2000

George W. Bush
Governor

Commission Members:

C. Michael Brodie
Chairman
Broker member

Chris T. Folmer
Vice-Chairperson
Broker member

Kay Sutton
Secretary
Broker member

James N. Austin, Jr.
Broker member

Jay C. Brummett
Broker member

Ramon "Mick" Cantu
Public member

Maria Gil
Public member

Lawrence D. Jokl
Broker member

Deanna Mayfield
Public member

TREC Administrator
Wayne Thorburn

Desktop Publisher
Patricia Holder



September 25, 2000

The Texas Real Estate Commission voted to submit a number of statutory changes for consideration by the Texas Legislature in 2001. The proposals would allow a candidate to apply for a salesperson license without a sponsoring broker, require 120 hours of core real estate courses before taking a salesperson examination, allow the Commission to modify the content of core and continuing education courses, modify the number of core real estate hours required for a broker application, and increase the hours of MCE required of inspectors.

Further modifications in state law would change TREC's jurisdiction from "any licensee" to "any person" who violates The Real Estate License Act, clarify that violations of the Act are Class A misdemeanors, and streamline the complaint process. The current bankruptcy restriction on payments from the recovery funds would be eliminated and the limits payable from the Inspector Recovery Fund would be increased.

The Commission completed its annual review of fees and anticipated revenue with no changes or adjustments in the current fee schedule. It was announced that TREC received favorable audit reports on open records policy and risk management. Additionally, the Commission approved the internal audit report provided by the firm of Garza/Gonzalez and Associates.

A number of amendments were proposed concerning amendments and addenda to contract forms (22 TAC §§537.11,33,42 and 46), acceptable courses of study (§535.62), and mandatory continuing education (§§535.71-72). The amendments concerning education would require three days to elapse between enrolling and completing correspondence and alternative delivery courses.

Commissioner Jokl reported on TREC's participation in the Mexican real estate association convention where TREC pro-

lation of the industry in Texas. The Commission also hosted a delegation of Russian local government officials who were meeting with state officials while in Austin.

November 6, 2000

At its meeting on November 6, 2000, the Texas Real Estate Commission received staff reports for the fiscal year ending August 31st, indicating an increase in new licensees and an overall increase in individuals licensed by TREC. The Commission also heard a report from Ray Adams of the Texas Home Warranty council relating to the activities of the residential service companies operating in the state. It was announced that the Council would be offering a continuing education course for real estate licensees commencing in January, 2001.

Final action was taken to adopt new language for §§535.205-226 of TRELA concerning licensed inspectors and §535.400 and §535.403, concerning registered easement or right-of-way agents. These provisions cover licensing and renewal requirements and are to take effect on January 1, 2001. The Commission also completed its rule review of the above sections as well as §§535.71-73, 535.81, 535.300 and 535.401-403.

Both written and oral comments were received on proposed amendments concerning correspondence and alternative delivery courses but no action was taken with a final vote scheduled for the January 8, 2001 meeting. Three amendments to standard contract forms were presented also for discussion with final vote on possible January 8th.

The Commission approved the current recovery fund investment policies and authorized payment for three claims from the Real Estate Recovery Fund. The members voted to revoke the license of one licensee who failed to comply with the conditions of probation, granted a continuance until January 9th on a motion for rehearing and allowed probation with a repayment schedule for a licensee on whose account payments were made from the recovery fund.

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>

Rule Changes Affect Inspectors

Effective January 1, 2001, a series of rule changes will affect all licensed inspectors and potential licensees. The changes were recommended by the Texas Real Estate Inspector Committee and the complete text of the rules is available at the TREC web site at www.trec.state.tx.us.

Education and Experience Requirements

Applicants for an inspector license must obtain an education evaluation before filing an application. Application forms were changed to obtain a permanent mailing address from the applicant and daytime telephone numbers or e-mail addresses.

New guidelines permit the acceptance of courses offered by a professional trade association. Those applicants who are applying directly for a license on the basis of additional course work will be required to show proportional credit in each of the structural, mechanical and electrical systems. Experience for work in another licensed occupation will be restricted to persons licensed as architects, professional engineers, or engineers-in-training. Applicants who substitute personal work experience will be required to show five years of experience for a real estate inspector license and seven years of experience for a professional inspector license; the experience claimed must be from work on each of the three systems found in improvements to real property.

The changes also clarify that the accreditation and regulation of inspection schools and approval of courses and instructors are conducted under the same guidelines governing real estate schools and instructors. Inspection school instructor approvals issued under prior rules will continue to be effective until May 1, 2001.

Inactive Status, Fee Disclosures and Sponsorship

An inspector going on inactive status must provide TREC with a permanent mailing address and report changes to that address within 10 days. As TREC develops the capacity to do so, inspector licenses may also be renewed on-line.

Another new rule requires an inspector to disclose to all parties and obtain the consent of the inspector's client if the inspector accepts valuable consideration from a person other than the inspector's client. The new rule also requires a licensed inspector to obtain the consent of the inspector's client before paying a portion of the inspector's fee to a service provider or other participant in the transaction.

One new rule requires a sponsored inspector to notify his or her sponsor in writing upon leaving the sponsorship. Likewise, if the sponsor ends sponsorship of an inspector, the sponsor is required to notify the sponsored inspector in writing immediately.

Texas Represented at Mexican Real Estate Convention

More than twenty Texas real estate professionals were among those attending the 29th national congress of the Asociacion Mexicana de Profesionales Inmobiliarios (AMPI) held in Leon, Guanajuato, Mexico on September 6-10, 2000. The congress brought together over 400 real estate professionals from throughout Mexico to discuss cross-border transactions, the impact of NAFTA, changes in Mexican real estate, and possible professional licensing by the Mexican government.

Chairman Mike Brodie of Plano and Commissioner Lawrence Jokl of Brownsville represented TREC at the meetings. Dr. Wayne Thorburn, TREC Administrator, was among the Texans addressing

the conference, Thorburn's remarks focused on the changes in relationships since the enactment of NAFTA in 1993 and modifications in Mexican law, both of which impacted foreign ownership of real estate. Thorburn also pointed out that real estate professionals in Mexico can receive a referral fee for providing clients and customers to Texas brokers. Under the provisions of NAFTA, Mexican nationals may also apply for a Texas real estate license if they meet the same educational, experience, and examination requirements as Texas residents. As a new administration comes to power in Mexico, interest in the possibility of real estate licensing has increased, a policy change strongly supported by AMPI.



TREC Administrator Wayne Thorburn discussed licensing in Texas at the AMPI annual conference this past September.

Annual Report

(Continued from page 1)

past three years.

The past year saw an expansion in the number of locations at which candidates can take the real estate and inspector examinations with a new testing center serving the Rio Grande Valley in McAllen. While there was a decrease in the pass rate for all exams, the overall applicant pass rate continued close to, or above, eighty percent. The Commission continued to work with its contracted examination services provider to review, add and delete questions from the test bank by seeking the advice and assistance of licensees and instructors at work sessions held throughout the state.

More Consumers and Licensees Contact TREC

Two and one-half times more TREC web pages were viewed by individuals in the last fiscal year than was the case in FY1999. Nearly 7,000 pages of information are downloaded by licensees and the public each day from the TREC web site. At the same time, more and more reports, forms, and other data are being added to the web site. This past fiscal year also saw the introduction of broker on-line license renewals via the Internet - a service that has since been expanded to renewal of salesperson licenses.

To expedite the delivery of news about changes and developments, the Commission has established an automatic e-mail messaging system. By providing an e-mail address, individuals can be added to the TREC-L List Server which sends out news on an as-needed basis. During the last year, the number of e-mail addresses on this system increased by nearly twenty-five percent.

Brokers and salespersons have 24-hour access to most TREC forms and brochures through the TREC Fax on Demand System whereby an individual calls 512-419-1623 and then selects the needed documents from a pre-recorded menu. This provides all-hours access to documents and allows TREC to fill orders without use of personnel or postage. The number of documents requested more than doubled over the previous

year.

Most recently, TREC has attempted to communicate with consumers and licensees through the distribution of videotapes on relevant real estate issues. Produced in cooperation with the Real Estate Center at Texas A & M University, these fifteen-minute videotapes are available for a nominal fee from the Real Estate Center. They are designed for use in real estate courses, as a program for association meetings, or for consumer viewing. The law of agency was the topic of the video produced in fiscal year 2000.

Despite all the advances in technology and communications, the traditional means of obtaining information continue to receive broad usage. The number of paid subscribers to the agency's regular publication, TREC Advisor, increased to over 100,000 in FY2000. At the same time, the Austin office saw another jump in the number of telephone calls directed to it. Nearly 370,000 telephone calls were made to TREC in the past year, roughly 1,500 each business day. This volume has led TREC to request authorization to acquire additional personnel and toll-free lines to accommodate the increased demands on the current system.

Of course, communication is a two-way path, and the agency sought advice and information from consumers and licensees through appearances and presentations at real estate events and the distribution of a Customer Service Survey. Nearly 3,000 individuals completed the new survey during FY2000, providing valuable insights into ways in which TREC could become more effective in fulfilling its mission. Combined with the recommendations received at the three public forums held in March, 2000, the survey results helped the agency develop its Strategic Plan submitted to state officials in June, 2000.

These communications totals reflect the reality that a considerable amount of the agency's resources are directed towards responding to constituent requests, notifying licensees of statutory and rule changes, determining licensee needs, providing public information as well as preparing and distributing materials

	FY98	FY99	FY2000
Salespersons licensed	68,797	69,383	70,219
Brokers licensed	41,369	40,606	40,106
Total	110,077	109,989	110,325
Inspectors licensed	1,505	1,698	1,944
Easement or Right-of-Way Agents registered	1,034	1,027	988
New Individual Real Estate Licenses Issued	12,820	13,266	13,626
Examinations Administered	21,279	23,163	27,799
Individuals Examined	9,334	10,238	11,077

	FY99	FY2000	
Web pages viewed	1,030,000	2,480,000	+ 140.8%
Individuals served by TREC-L List Server	2,100	2,618	+ 24.7%
Documents Requested from TREC Fax on Demand	4,000	9,070	+ 126.8%
Telephone Calls Received	334,713	369,046	+ 10.3%

describing TREC functions. The agency's commitment to serving licensees and consumers is expressed in the Texas Real Estate Commission's Compact with Texans which outlines customer-related goals and performance measures.

More Complaints Closed

A total of 3,189 complaints were processed by TREC's Enforcement Division in the past fiscal year. Nearly one-half of these complaints were closed with no action taken. Among the most frequent reasons for closing a case with no action are lack of information provided, no violation of The Real Estate License Act, insufficient evidence, withdrawal of the complaint, or settlement of the dispute by the relevant parties.

Slightly more than one-third of all complaints related to applications or renewals that were referred to Enforcement by TREC's Licensing Division. This occurs when an individual either fails to answer or responds positively to the questions regarding criminal convictions or engages in brokerage activity without a license. Of these referrals, 1,045 were cleared for licensure (86.9%), 65 were granted probated licenses or received an advisory letter (5.4%), and 93 applications were either disapproved or terminated (7.7%).

An advisory letter is issued by TREC when a licensee appears to have engaged in a questionable activity but no clear violation of The Real Estate License Act can be proven. In nearly two hundred instances last year, this was the final action taken on a complaint.

When a licensee is found to have violated the License Act or Rules adopted by the Commission, the agency has the ability to impose sanctions up to and including revocation of a license. Among the disciplinary actions taken in FY2000 were 80 reprimands (44.2 % of all disciplinary actions), 21 probated

suspensions or revocations (11.6%), 4 suspensions (2.2%), 62 revocations (34.3%), and 10 licenses surrendered in lieu of administrative action (5.5%). While four cases were closed with only the payment of an administrative penalty, more often the penalty was in addition to some other disciplinary action. Thus, a total of 80 administrative penalties totaling \$70,000 were paid in FY2000. These sums are deposited into the Real Estate Recovery Fund or the Real Estate Inspection Recovery Fund.

Since TREC currently has jurisdiction only over licensees, it is not authorized to take action against unlicensed individuals. In twenty-two instances, the agency sent "cease and desist" letters to unlicensed persons and made two referrals to district attorneys concerning allegations of unlicensed activity. TREC is seeking a statutory change to allow it jurisdiction over all persons (rather than simply licensees) who violate provisions of The Real Estate License Act.

When a decision is made by the Enforcement Division to seek disciplinary action against a licensee it must present its case before TREC's administrative law judge. If the licensee agrees to waive a right to a hearing, then an agreed order can be submitted for approval by the judge. However, should the licensee decide to oppose the Enforcement Division's proposal, a hearing is held. While the Enforcement Division attempts to prove that a violation of statute or rules has occurred, the licensee may either defend himself or herself or be represented by an attorney. In the past fiscal year, 96 administrative hearings were held and an additional 110 agreed orders entered.

A review of TREC disciplinary orders from FY2000 indicates that 19% of the orders involved negligence or incompetence. On the other hand, nearly half of the orders concerned

(Continued on page 8)

<i>Case Closed -</i>		
<i>No Action Taken</i>	1591	49.9%
<i>Application or Renewal Referred</i>	1203	37.7%
<i>Advisory Letter Issued to Licensee</i>	190	6.0%
<i>Disciplinary Action Ordered</i>	181	5.7%
<i>Cease and Desist Letter/Referral to DA</i>	<u>24</u>	0.8%
	3189	

<i>Administrative Hearings</i>	85
<i>License Application Hearings</i>	11
<i>Agreed Orders</i>	<u>110</u>
	206

AS A SERVICE to our licensed subscription holders, we have included your license expiration date in the upper right hand corner of the mailing label.

Name	Lic. Exp. Date
Company	
Street	
City, State	



Disciplinary Actions

August - October 2000

Rayos, Karla Patricia
(El Paso); license #440035

Agreed reprimand of salesperson license, entered August 1, 2000; Agreed administrative penalty of \$200.00, entered August 1, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(h) of the Rules of the Texas Real Estate Commission.

Baetz, Charles Sheldon
(Elmendorf); license #185512

Agreed reprimand of broker license, entered August 1, 2000; negligently supervising a salesperson by failing to oversee the salesperson's handling of client monies, in violation of Section 15(a)(6)(W) of The Real Estate License Act.

De La Garza, James Patrick
(Allen); license #421515

Agreed 6-month suspension of broker license fully probated for 1 year, effective August 1, 2000; misrepresenting to buyer clients that the air conditioning system on the property they subsequently purchased would be covered by a home warranty, when in fact it was not, thereby causing substantial financial harm to the buyers in violation of Sections 15(a)(6)(A) and 15(a)(6)(W) of The Real Estate License Act.

Galyen, Royce Don
(Bruceville); license #1874

Agreed 6-month suspension of professional inspector license fully probated for 12 months, effective August 1, 2000; 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 Royce Don Galyen, in violation of Section 23(o)(10) of The Real Estate License Act.

Mendez, Celia
(Corpus Christi); license #440066

Revocation of salesperson license, effective August 1, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(h) of the Rules of the Texas Real Estate Commission.

Rhodes, Carolyn B.
(Houston); license #441737

Revocation of salesperson license, effective August 1, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(h) of the Rules of the Texas Real Estate Commission.

Jordan, Marion Dugger
(Houston); license #230380

Revocation of broker license, effective August 1, 2000; failing to complete mandatory continuing education hours within the 60-day period provided by 22 TAC Section 535.92(h) of the Rules of the Texas Real Estate Commission.

King, Patsy Louise Myers
(Houston); license #322941

Revocation of salesperson license, effective August 1, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(h) of the Rules of the Texas Real Estate Commission.

Hardy, James Chaney
(Galveston); license #168364

Revocation of salesperson license, effective August 1, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22

Gunter, Allen C.
(Houston); license #329834

Revocation of broker license, effective August 1, 2000; failing to complete mandatory continuing education hours within the 60-day period provided by 22 TAC Section 535.92(h) of the Rules of the Texas Real Estate Commission.

Ortega, Joe
(Victoria); license #440889

Agreed 1-month suspension of salesperson license fully probated for 6 months, effective August 8, 2000; acting negligently or incompetently by failing to use TREC promulgated form No. 39-1 to show an agreement between the parties amending a sales contract in violation of 15(a)(6)(W) of The Real Estate License Act; and acting as an intermediary without obtaining the necessary written consent from each party in violation of 15C(h) of The Real Estate License Act.

Balme, Billie M.
(Corpus Christi); license #160479

Agreed 3-month suspension of broker license fully probated for 6 months, effective August 9, 2000; using TREC Agency Disclosure form No. 3 after its use was repealed by the commission in violation of 22 TAC §537.11 of the Rules of the Texas Real Estate Commission; acting as an intermediary without obtaining the necessary written consent from each party and failing to provide a buyer the Information About Brokerage Services form in violation of 15C of The Real Estate License Act; and acting negligently or incompetently in violation of Section 15(a)(6)(W) of The Real Estate License Act by disclosing information about the buyer without clarifying it was confidential.

Aleman, Dora A.
(Pharr); license #430528

Revocation of salesperson license, effective August 14, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(h) of the Rules of the Texas Real Estate Commission.

Guerrero, Juan Anthony
(Houston); license #340117

Revocation of salesperson license, effective August 14, 2000; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Colmery, Mildred Marcella
(Lewisville); license #274327

Revocation of broker license, effective August 14, 2000; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate broker license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Kehlenbrink, Stephanie C.
(Dallas); license #437936

Revocation of salesperson license, effective August 14, 2000; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Markwardt, Greg Dean
(China Spring); license #1473

Agreed 6-month suspension of professional inspector license, effective August 15, 2000; 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 Greg Dean Markwardt, in violation of Section 23(o)(10) of The Real Estate License Act.

Valadez, Ruben C.
(San Antonio); license #402604

Agreed reprimand of salesperson license, effective August 17, 2000; Agreed administrative penalty of \$500.00, entered August 17, 2000; commingling client monies with operating funds, in violation of Section 15(a)(6)(E) of The Texas Real Estate Commission; failing to provide an Information About Brokerage Services form in violation of Section 15C(d) and Section 15(a)(6)(W) of The Texas Real Estate Commission.

Chambers, Clifford Nawin
(Lubbock); license #464291

Revocation of salesperson license, effective August 21, 2000; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Tealer, Duaine Alexander
(Austin); license #464547

Revocation of salesperson license, effective August 21, 2000; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Li, Ai Xia
(San Antonio); license #423612

Agreed reprimand of broker license, entered August 25, 2000; failing to resolve disagreement over amount of commission licensee should receive prior to negotiation of transaction and closing, in violation of Section 15(a)(6)(W) of The Real Estate License Act.

Castelli, Alicia Beatriz
(El Paso); license #309946

Revocation of broker license; effective August 28, 2000; failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of Section 15(a)(4) of The Real Estate License Act and 22 TAC Section 535.2(b) of the Rules of the Texas Real Estate Commission.

Zolfaghari, Hossein Gholi
(Houston); license #336693

Agreed reprimand of broker license, entered August 29, 2000; Agreed administrative penalty of \$600.00, entered August 29, 2000; paying a commission or fees to or dividing a commission or fees with an unlicensed salesperson, in violation of Section 15(a)(6)(F) of The Real Estate License Act; establishing an association, by employment or otherwise, with an unlicensed salesperson who was expected or required to act as a real estate licensee, in violation of Section 15(a)(6)(S) of The Real Estate License Act.

Turner, James Ealy
(Houston); license # 311486

60-day suspension of broker license, effective September 5, 2000; wrongly characterizing to a party to a real estate transaction the validity of a contract, thereby giving the party a misleading sense of the consequences of entering into a subsequent contract, in violation of Section 159a(6)(W) of Texas Real Estate License Act; engaging in the unauthorized practice of law by offering advice as to the legal effect of a contract which may affect title to real estate, in violation of 22 TAC Section 537.11(c) of the Rules of the Texas Real Estate Commission.

Flood, Fannie Rose
(Killeen); license # 286851

Calendar of Events

Commission Meetings:

January 8, 2001
February 26, 2001
April 23, 2001

Broker-Lawyer Committee Meetings:

January 11-12, 2001

Web site:

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

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

leasing and management of a client's property after being notified of the error, in violation of Section 15(a)(6)(W); delay in taking action to evict a tenant from client's property after the tenant became delinquent in the payment of rent, in violation of Section 15(a)(6)(W) of The Real Estate License Act.

Borne, Deana Coale
(Angleton); license #436727

Agreed 30-day suspension of salesperson license fully probated for 6 months, effective September 5, 2000; payment of \$759.79 made by the Texas Real Estate Commission from the Real Estate Recovery fund toward satisfaction of a judgment against Deana Coale Borne, in violation of Section 8(i) of the Texas Real Estate License Act; licensee repaid payment in full.

Keller Williams Realtors, Inc.
(Austin); license #330050

Agreed reprimand of broker license, entered September 14, 2000; Agreed administrative penalty of \$2,400, entered September 14, 2000; continuing to associate with and divide commissions with a salesperson whose license had expired, in violation of Sections 15(a)(6)(F) and 15(a)(6)(S) of The Real Estate License Act.

Rhyme, Harrell Crandall
(Corpus Christi); license #379176

60-day suspension of broker license, effective September 15, 2000; executing a lease that exceeded the length authorized under the property management agreement and attempting to press a claim for management fees for the excess time, in violation of Section 15(a)(6)(V); giving a copy of lease agreement to tenants that contained an erroneous understanding of the term of the lease, in violation of Section 15(a)(6)(V); failing within a reasonable time to account for monies held for another by holding monies collected on behalf of the owner to offset disputed management fees in violation of Section 15(a)(6)(E) of The Real Estate License Act.

Adams, Joyce Helen
(Padre Island); license #220794

Agreed reprimand of broker license, effective September 18, 2000; acting negligently or incompetently by sponsoring a salesperson who conducted her real estate brokerage services through a corporation not licensed as a real estate broker, in violation of Section 15(a)(6)(W) of The Real Estate License Act.

Braud, Jamsie Robert
(Pflugerville); license #438510

Agreed reprimand of broker license, effective September 18, 2000; Agreed administrative penalty of \$200, entered September 18, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(h) of the Rules of the Texas Real Estate Commission.

Partain, Sharon Gayle
(South Padre Island); license #435176

Agreed reprimand of salesperson license, entered September 18, 2000; Agreed administrative penalty of \$250, entered September 18, 2000; association with and dividing commission or fees for real estate brokerage services with a corporation not licensed as a real estate broker, in violation of Section 15(a)(6)(F) and Section 15(a)(6)(S) of The Real Estate License Act.

Turbeville, Homer Gene
(Austin); license #193993

Agreed reprimand of broker license, effective September 19, 2000; Agreed administrative penalty of \$200, entered September 18, 2000; failing to complete mandatory continuing education hours and pay the

Stricker, Nylvia Ann
(Killeen); license #3512

Agreed reprimand of inspector license, entered September 25, 2000; Agreed administrative penalty of \$250, entered September 25, 2000; performing a real estate inspection in a negligent or incompetent manner by failing to note in an inspection report all water stains observed on ceilings, in violation of Section 23(l)(3) of The Real Estate License Act.

Peggy Tuthill Realtors, Inc.
(Houston); license #460189

Agreed reprimand of broker license, entered September 26, 2000; Agreed administrative penalty of \$2,400, entered September 26, 2000; continuing to associate with and divide commissions with a salesperson whose license had expired, in violation of Sections 15(a)(6)(F) and 15(a)(6)(S) of The Real Estate License Act.

Hickey, Willie James
(Dallas); license #460189

180-day suspension of broker license, effective September 30, 2000; failing to return buyer's earnest money check and depositing it into a bank account well after the rejection of the buyer's offer to purchase property, in violation of Section 15(a)(6)(E); failing to deposit the buyer's earnest money check into an escrow account, in violation of Section 15(a)(6)(E); repeatedly failing to be truthful with the buyer concerning the status of the buyer's offer to purchase property, in violation of Section 15(a)(6)(V); and permitting the buyer to have access to property prior to acceptance of the buyer's offer, in violation of Department of Veterans Affairs regulations, thereby violating Section 15(a)(6)(W) of The Texas real Estate License Act.

Higley, Donald Wayne
(McKinney); license #464371

Revocation of salesperson license, effective September 30, 2000; failing to provide information to the Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Center for Career Education, Inc.
(Dallas); license# 3873

Agreed 6 month suspension of real estate school accreditation, fully probated for 12 months, effective October 3, 2000; failing to file updated course materials and revisions of the course outline with the Commission prior to implementation, in violation of 22 TAC Section 535.66(s) (now found at Section 535.65(g)(1)); failing to provide within 15 days information requested by the Commission as a result of a complaint, in violation of 22 TAC Section 535.66(ss)(4) (now found at Section 535.66(d)(4)); using in certain instances instructors who were not approved by the Commission, in violation of 22 TAC Section 535.66(k) (now found at Section 535.65(d)(1)); failing to revise final course examinations at least annually and furnish the Commission copies of all revisions, in violation of 22 TAC Section 535.66(r) of the Rules of the Texas Real Estate Commission (now found at Section 535.65(e)(2)).

Levitin, Michae Herman
(Houston); license# 365606

Agreed reprimand of broker license, entered October 5, 2000; Agreed administrative penalty of \$3,000.00, entered October 5, 2000; Continuing to divide commissions with and associate with a salesperson whose license had expired, in violation of Sections 15(a)(6)(F) and 15(a)(6)(S) of The Real Estate License Act.

Walton, Shirley Jean
(El Paso); license# 343210

Revocation of salesperson license, effective October 10, 2000; failing to provide informa-

tion, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Yin, Elaine
(Sugar Land); license# 458425

Revocation of salesperson license, effective October 10, 2000; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Barnes, Nelda
(Centerville); license# 246465

Revocation of salesperson license, effective October 10, 2000; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Parker, Timothy Van
(Hallesville); license# 432423

Revocation of salesperson license, effective October 23, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission.

Anzalone, Sandra Gail
(Fort Worth); license# 457794

Revocation of salesperson license, effective October 23, 2000; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.

Hipps, Christopher Marion
(Dallas); license# 326345

Agreed reprimand of salesperson license, entered October 24, 2000; Agreed administrative penalty of \$200.00, entered October 24, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission.

Howell, Sara Hinchman
(Houston); license# 367210

Agreed reprimand of salesperson license, entered October 24, 2000; Agreed administrative penalty of \$200.00, entered October 24, 2000; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC Section 535.92(f) of the Rules of the Texas Real Estate Commission.

Tleel, Samir B.
(Cedar Park); license# 465524

Agreed reprimand of broker license, entered October 31, 2000; Agreed administrative penalty of \$250.00, entered October 31, 2000; obtaining a client's signature on a document which purported to limit his liability to the client in connection with the performance of real estate brokerage activities, in violation of Section 535.156 of the Rules of the Texas Real Estate Commission; obtaining a client's signature on a document which purported to limit the liability of all parties to the client, in violation of Section 15(a)(6)(W) of The Real Estate License Act .

Harris, Molly Anne
(Denton); license# 465433

Revocation of salesperson license, effective October 31, 2000; failing to provide information to the Commission in response to the Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC Section 535.91(a) of the Rules of the Texas Real Estate Commission.



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matters other than a licensee's conduct in a real estate transaction or inspection, such as failing to provide information in connection with a license renewal, failing to timely take MCE, or issuing a bad check to the Commission. Only 8% of all disciplinary actions involved bad faith, dishonesty, or untrustworthiness. The remainder of the orders addressed many different kinds of violations, including misconduct as a buyer or seller, false advertising, misuse of TREC promulgated forms, or associating with or paying commissions to an unlicensed person.

In some situations, a consumer may file a civil suit against a licensee and obtain a financial judgment from the court. If the licensee cannot or will not pay the court-ordered sum, the consumer can seek payment from the Real Estate Recovery Fund or the Real Estate Inspection Recovery Fund. During FY 2000, eighteen payments totaling \$509,280 were made from the Real Estate Recovery Fund with six payments totaling \$45,000 from the Real Estate Inspection Recovery Fund.

In all its efforts, the Texas Real Estate Commission is committed to assisting and protecting consumers of real estate services and, in so doing, fostering economic growth in the state. Through its programs of education, licensing and industry regulation, the Commission ensures the availability of honest and capable real estate service providers. This has been the mission of the Texas Real Estate Commission throughout the latter part of the 20th Century and continues to be its purpose in the 21st Century.

Broker-Lawyer Committee Releases New Draft Contract for Comment

The Texas Real Estate Broker-Lawyer committee has released a discussion draft of a possible new One-to-Four Family Residential Contract (Resale) for All Cash, Assumption, Third Party Conventional or Seller Financing. The document is available at the TREC web site (www.trec.state.tx.us).

Interested persons are invited to submit comments and suggestions on the draft by e-mail to general.counsel@trec.state.us or by mail to: Texas Real Estate Broker-Lawyer Committee, Office of TREC General Counsel, P.O. Box 12188, Austin, TX 78711-2188.

The Committee has scheduled a meeting in Austin on January 11-12, 2001, to review comments on the draft. If the draft is considered for adoption next year, it would again be proposed as a rule by the members of the Commission, and there would be another opportunity for comments.

Renew your broker or salesperson license on-line

POINT AND CLICK, follow the on-screen directions and before you know it your license is renewed and you can get on with real estate business as usual.



Got A Question About A Relocation Company?

Through a link maintained on the TREC web site, licensees may directly access The Real Estate Coalition for Cooperative Business Practices (the Coalition) of the Employee Relocation Council. By clicking on "The Interchange" on the Coalition's website at <http://coalition.erc.org>, licensees may raise concerns about their dealings with a relocation company and send a message to the appropriate company for response.