

THE MARYLAND REAL ESTATE COMMISSION

MARYLAND REAL ESTATE
COMMISSION
V.

* BEFORE MARY SHOCK,
* ADMINISTRATIVE LAW JUDGE,

RONALD ST. PIERRE
RESPONDENT

* OF THE MARYLAND OFFICE OF
* ADMINISTRATIVE HEARINGS

AND

* OAH No: DLR-REC-24-11-30541

CLAIM OF EUGENE SIBLEY &
DONNA ALLEN, CLAIMANTS

* MREC NO: 2011-RE-012 G.F.

AGAINST THE MARYLAND REAL
ESTATE COMMISSION
GUARANTY FUND

*

* * * * *

PROPOSED ORDER

The Findings of Fact, Conclusions of Law and Recommended Order of the Administrative Law Judge dated April 2, 2012, having been received, read and considered, it is, by the Maryland Real Estate Commission, this 18th day of April, 2012.

ORDERED,

- A. That the Findings of Fact in the Recommended Decision be, and hereby are, AFFIRMED;
 - B. That the Conclusions of Law in the Recommended Decision be, and hereby are, APPROVED;
 - C. That the Recommended Order in the Recommended Decision be, and hereby is, ADOPTED;
- and,
- D. That the records, files and documents of the Maryland State Real Estate Commission reflect this decision.

MARYLAND STATE REAL ESTATE COMMISSION

4/18/2012
Date

By: SIGNATURE ON FILE
Marla S. Johnson, Commissioner

MARYLAND REAL ESTATE

*** BEFORE MARY SHOCK,**

COMMISSION

*** AN ADMINISTRATIVE LAW JUDGE**

and

OF THE MARYLAND OFFICE OF

EUGENE SIBLEY & DONNA ALLEN

ADMINISTRATIVE HEARINGS

CLAIMANTS

*** OAH No: DLR-REC-24-11-30541¹**

v.

*** REC No: 11-RE-012**

RONALD ST. PIERRE,

RESPONDENT

*** * * * ***

RECOMMENDED DECISION

STATEMENT OF THE CASE
ISSUES
SUMMARY OF THE EVIDENCE
FINDINGS OF FACT
DISCUSSION
CONCLUSIONS OF LAW
RECOMMENDED ORDER

STATEMENT OF THE CASE

On July 9, 2010, Eugene Sibley and Donna Allen (Claimants) filed a Complaint against Ronald St. Pierre (Respondent) and a claim for reimbursement from the Maryland Real Estate Guaranty Fund (Fund) for losses the Claimants allegedly incurred as a result of the Respondent's misconduct. On July 28, 2011, the Maryland Real Estate Commission (REC) issued a Statement of Charges and Order for Hearing against the Respondent for his alleged violations of the Maryland Annotated Code's Business Occupations and Professions Article, sections 17-

This hearing was consolidated with the case of Ronald Sweeney, OAH Case No: DLR-REC-24-11-30535. The cases involve the same transaction. All the evidence entered into this case was also entered into the companion case. A separate decision will be issued in each case.

322(b)(3), (25), (32) and (33), and section 7-532(c)(1)(vi) (2010 & Supp. 2011), and the Code of Maryland Regulations (COMAR) 09.11.02.01C and H and 09.11.02.02A. The Hearing Order further referenced the Claimants' Claim against the Fund. On August 2, 2011, the REC forwarded the claim and the Charges to the Office of Administrative Hearings (OAH) for a hearing.

On March 7, 2012,² I conducted the hearing at the Calvert County District Court Building in Prince Frederick, Maryland, in accordance with section 17-408 of the Business Occupations and Professions Article. Donna Allen (Claimant) represented the Claimants. Assistant Attorney General Jessica Kaufman represented the REC. Assistant Attorney General Kris King represented the Fund. The Respondent failed to appear. The REC provided evidence that timely notice of the hearing had been sent to the Respondent's address of record and to his home address. Consequently, I proceeded to hear the case in his absence. *See* Md. Code Ann., Bus. Occ. & Prof. § 17-324(f); COMAR 09.01.02.09.

The Administrative Procedure Act, Md. Code Ann., State Gov't. §§ 10-201 through 10-226 (2009 & Supp. 2011); the procedural regulations of the Department of Labor, Licensing and Regulation, COMAR 09.01.03; and OAH's Rules of Procedure, COMAR 28.02.01, govern procedure in this case.

ISSUES

1. Did the Respondent violate section 17-322(b)(3) of the Business Occupations and Professions Article, by willfully making a misrepresentation or knowingly making a false promise?

² The hearing was originally scheduled for February 6, 2012, but was postponed to allow the REC to serve the hearing notice on the Respondent at his home address.

2. Did the Respondent violate section 17-322(b)(25) of the Business Occupations and Professions Article, by engaging in conduct that demonstrated bad faith, incompetency, or untrustworthiness, or that constitutes dishonest, fraudulent, or improper dealings?

3. Did the Respondent fail to exercise reasonable care and diligence toward a client as required by section 7-532(c)(1)(vi) of the Business Occupations and Professions Article and, thereby, violate a provision of the title governing real estate brokers under section 17-322(b)(32) of the Business Occupations and Professions Article?

4. Did the Respondent violate section 17-322(b)(33) of the Business Occupations and Professions Article, by violating the provisions of the Code of Ethics set forth in COMAR 09.11.02.01C and H, and by violating his duties to a client as set forth in 09.11.02.02A?

5. If so, what, if any, sanctions and/or penalties should the REC impose against the Respondent?

6. What, if any, amount should be awarded to the Claimants from the Fund?

SUMMARY OF THE EVIDENCE

Exhibits

The REC submitted the following documents, which I admitted into evidence:

- | | |
|--------|--|
| REC #1 | Notice of Hearing, December 9, 2011, Return Receipts for Certified Mail, December 12, 13 and 20, 2011 |
| REC #2 | REC Transmittal, undated, Statement of Charges and Order for Hearing, D. Allen, July 28, 2011 |
| REC #3 | Notice of Hearing, December 9, 2011, and Notice of Hearing, November 4, 2011, Return Receipts for Certified Mail, December 15 and 21, 2011 |
| REC #4 | Transmittal, undated, Statement of Charges and Order for Hearing, R. Sweeney, July 27, 2011 |
| REC #5 | Letter from Claimant to REC with statement of attorneys' fees, February 8, 2011 |
| REC #6 | The Respondent's licensing information, December 8, 2011 |
| REC #7 | Notice of Hearing, February 8, 2012; Return Receipts for Certified Mail, February 13 and 24, 2012 |

- REC #8 REC Report of Investigation, by Robert A. Hall, Investigator, March 9, 2011
- REC #9 Champion Realty documentation of contract for sale of subject property and communications with Respondent, August 23 through October 15, 2009

Ronald Sweeney submitted the following documents, which I admitted into evidence:

- CL #1 Bills for Services Rendered, Stevart & Stevart, April 30, 2010 and February 8, 2011
- CL #2 State Farm Insurance Companies, Notice of Payment Due, February 24, 2010
- CL #3 Real estate tax bill, 2009

The Claimants submitted the following documents, which I admitted into evidence:

- CLS #1 Chesapeake Real Estate Analysts, Inc., Invoice, September 27, 2009
- CLS #2 Christopher L. Beard, Statement of Professional Services Rendered, June 7, 2010
- CLS #3 Master Home Inspectors, Inc., Home Inspection Report, September 5, 2009
- CLS #4 Gallagher's Termite Bureau, Wood Destroying Insect Inspection Report, October 7, 2009
- CLS #5 Ardmore Exterminating Corporation, Invoice, June 22, 2010
- CLS #6 Chesapeake Real Estate Analysts, Inc., Invoice, June 16, 2010
- CLS #7 Agreement, Donna Allen and Doug Rivenback, June 7, 2010

Testimony

The REC presented the testimony of the following:

1. Ronald Sweeney
2. The Claimant
3. Robert A. Hall, REC Investigator
4. Virginia Diaz-Harris, Champion Realty
5. Patricia Savani, Champion Realty

The Claimant also testified on her own behalf in support of her claim.

The Respondent failed to appear; no witnesses testified on his behalf.

FINDINGS OF FACT

I find the following facts by a preponderance of the evidence:

1. At all relevant times, the Respondent was a licensed real estate broker. The Respondent was originally licensed on April 6, 1993. His license expires on September 2, 2012.

(REC #6)

2. In August 2008, the Respondent listed for sale property located at 4017 14th Street, Chesapeake Beach, Maryland, for a price of \$189,000.00. (REC #8) The property was owned by Ronald Sweeney and his brother.

3. On August 23, 2008, the Claimants, through their agent, Virginia Diaz-Harris, Champion Realty, offered to purchase the property for \$173,000.00 and submitted a contract. The contract included a Veterans' Administration (VA) Financing Addendum. (REC #9)

4. On August 25, 2009, Ms. Diaz-Harris sent a loan preapproval letter and information from the Claimants' lender to the Respondent. (REC #9)

5. On August 28, 2009, Mr. Sweeney, with power of attorney for his brother, accepted the offer by signing the contract. Settlement was scheduled for October 15, 2009. (REC #9)

6. On September 10, 2009, Ms. Diaz-Harris prepared two general addenda. The first provided that, in lieu of making home inspection repairs, Mr. Sweeney would give the Claimants \$5,000.00 at settlement. The second provided that the parties would remove the contingency for the sale and closing of the Claimants' property in Bowie, Maryland. No party to the contract signed the addenda. (REC #9)

7. On September 14, 2009, the Respondent, as buyer's agent for Steven Duffy, offered to purchase Mr. Sweeney's property. The Respondent prepared a second contract for that sale. (REC #8)

8. On September 14, 2009, the Respondent presented the Duffy contract to Mr. Sweeney. Mr. Sweeney questioned the Respondent about the Claimants' contract. The Respondent told Mr. Sweeney that he had tried to contact Ms. Diaz-Harris about the Claimants' contract, but she had not responded. He stated that because the Claimants and Ms. Diaz-Harris had not followed through on the contract as required by law, the contract was dead. When Mr. Sweeney questioned the Respondent further on the legality of the contract, the Respondent told him that he had been a broker for eighteen years and in the real estate business for thirty years. The Respondent told Mr. Sweeney that the first contract was ineffective and that he should sign the second contract with Mr. Duffy.

9. On September 14, 2009, Mr. Sweeney signed the second contract. (REC #8)

10. On September 16, 2009, the Respondent told Ms. Diaz-Harris that the Claimants' contract was null and void. Ms. Diaz-Harris emailed the Respondent, stating that the Claimants intended to continue with the purchase of the property. (REC #9)

11. The Respondent did not send to the Claimants or Ms. Diaz-Harris a release from the contract and did not receive a release either orally or in writing.

12. The Respondent telephoned the Claimant and told her that she might as well give up on the contract and that she would never win in court. He told her that she should find somewhere else to live.

13. On September 27, 2009, in preparation for the October 15, 2009 settlement, the Claimants hired Dave Whitten, Chesapeake Real Estate Analysts, Inc., to perform an appraisal of the property. The cost of the appraisal was \$400.00. (CLS #1)

14. On October 7, 2009, in preparation for the October 15, 2009 settlement, the Claimants hired Gallagher's Termite Bureau to perform a termite inspection. The cost of the inspection was \$60.00. (CL #4)

15. On October 8, 2009, Mr. Duffy filed a Notice of Lis Pendens against the property, seeking specific performance and claiming an interest in the property. (REC #8)

16. On October 15, 2009, closing on the property under the Claimants' contract proceeded. Those in attendance included: the Respondent; Mr. Sweeney; the Claimants; the Claimant's attorney; Ms. Diaz-Harris; a settlement officer; a title attorney; and a loan officer. (REC #8)

17. On October 15, 2009, the Claimants and Mr. Sweeney were unable to close on the property because of Notice of Lis Pendens.

18. The Claimants had given notice to their rental company that they would be leaving the home they rented. Their leasing agreement expired in October 2009.

19. On or about October 26, 2009, the Claimants and Mr. Sweeney entered into a pre-settlement occupancy agreement and the Claimants moved into the property. (CLS #2)

20. The Claimants retained an attorney to perform legal work, including, but not limited to: attending the October 15, 2009 settlement; preparing a pre-settlement occupancy agreement; filing and pursuing a complaint for declaratory judgment, seeking injunctive relief and recovery for tortious interference with contractual relations against Mr. Duffy. The Claimants incurred \$15,625.00 in attorney's fees and costs. (CLS #2)

21. On May 11, 2010, the Circuit Court for Calvert County ordered that the Notice of Lis Pendens be stricken and removed. (REC #8)

22. The Claimants were required to submit a second application for a mortgage to purchase the property.

23. On June 16, 2010, the Claimants had a second appraisal performed by Chesapeake Real Property Analysis, Inc., at a cost of \$400.00. (CLS #6)

24. On June 22, 2010, the Claimants had a second termite inspection performed by Ardmore Exterminating Corporation, at a cost of \$65.00 for the inspection and \$650.00 for treatment. (CLS #5)

25. On June 24, 2010, the Claimants and Mr. Sweeney settled on the property.

26. On September 22, 2010, after the REC notified the Respondent of the Claimants' complaint, the Respondent told the REC that the Claimants' contract had many stipulations and contingencies and that Ms. Diaz-Harris failed to communicate with him. He stated that he waited weeks and received no updates from Ms. Diaz-Harris on the contingencies despite leaving many voicemail messages. (REC #8, Attachment 9)

27. On December 9, 2011, the OAH sent a Notice of Hearing (notice) to the parties scheduling a hearing in this matter for February 6, 2012. The notice to the Respondent was sent to the address supplied by the REC, the last known address of record supplied by the Respondent to the REC.

28. On February 6, 2012, the hearing was postponed to permit the REC to serve the Respondent with the notice at his home address.

29. On February 8, 2012, the OAH sent the parties a notice re-scheduling the hearing to March 7, 2012. The notice to the Respondent was sent to both his business address of record and to his last known home address, by certified and regular mail. The certified letter sent to the Respondent's home address was returned by the US Postal Service as "Unclaimed." The certified

letter sent to the Respondent at his business address with the REC was accepted and signed for by office staff. The notice sent by regular mail to the Respondent's home was returned; the notice sent to his business address was not returned.

DISCUSSION

I. Statutes and Regulations

Maryland law authorizes the REC to license and regulate real estate professionals. The REC may take action on a professional's license and penalize a licensee for misconduct. The law relevant to this case states:

(b) *Grounds.* - Subject to the hearing provisions of § 17-324 of this subtitle, the Commission may deny a license to any applicant, reprimand any licensee, or suspend or revoke a license if the applicant or licensee:

...

(3) directly or through another person willfully makes a misrepresentation or knowingly makes a false promise;

...

(25) engages in conduct that demonstrates bad faith, incompetency, or untrustworthiness or that constitutes dishonest, fraudulent, or improper dealings;

...

(32) violates any other provision of this title;

(33) violates any regulation adopted under this title or any provision of
the code of ethics[.]

(c) *Penalty.* - (1) Instead of or in addition to suspending or revoking a license, the Commission may impose a penalty not exceeding \$5,000.00 for each violation.

Md. Code Ann., Bus. Occ. & Prof. § 17-322(b) and (c) (2010).

Additionally, Maryland law provides that real estate brokers have a duty to their clients to exercise reasonable care and diligence. Md. Code Ann., Bus. Occ. & Prof. § 17-532(c) (2010).

Finally, Maryland regulations include a Code of Ethics for real estate professionals. That code requires brokers to protect the public against fraud, misrepresentation, or unethical

practices, and to endeavor to eliminate practices that could be damaging to the public or the integrity of the profession. COMAR 09.11.02.01C. Under the Code of Ethics, real estate professionals are also required to ensure that obligations and commitments regarding real estate transactions are in writing, expressing the exact agreement. COMAR 09.11.02.01H. Also, in accepting employment as an agent, a licensee has an absolute obligation to protect and promote the interests of the client. COMAR 09.11.02.02A.

First, the REC seeks to sanction the Respondent, in part, because he violated his duty to exercise reasonable care and diligence toward his client. Md. Code Ann., Bus. Occ. & Prof. §§ 17-322(b)(32) and 17-532(c)(1)(vi). The Claimants were not the Respondent's clients. Thus, the REC is not authorized to sanction the Respondent based on that section of the law. Additionally, the Respondent did not violate Maryland regulations that require a licensee to protect and promote the interests of his or her client because the Claimants were not the Respondent's clients. COMAR 09.11.02.02A. The REC has shown, however, that the Respondent is subject to sanctions based on the three remaining grounds.

The Respondent instructed Mr. Sweeney to sign two contracts for one property. When Mr. Sweeney questioned the Respondent about the legality of signing the Duffy contract, the Respondent repeatedly assured him that the Claimants' contact was dead. The Respondent gave Mr. Sweeney these assurances despite his failure to obtain a release from the Claimants or Ms. Diaz-Harris, their real estate agent.

Additionally, the Respondent contacted the Claimant directly and told her that she might as well give up, find somewhere else to live. The Claimant testified that she felt threatened by the Respondent's telephone call.

Also, the Respondent told the REC that Ms. Diaz-Harris failed to contact him about the Claimants' contract when he made repeated attempts to clarify contingencies and that is why he believed the contract was void. Ms. Diaz-Harris testified that she telephoned the Respondent numerous times. The Respondent failed to appear to refute Ms. Diaz-Harris's testimony. I believed Ms. Diaz-Harris's testimony that she was in contact with the Respondent and that there were no contingencies that would have voided the contract. I conclude that the Respondent's conduct violated section 17-322(b)(3); he willfully misrepresented the status of the Claimants' contract.

Further, the Respondent violated section 17-322(b)(25) of the Business Occupations and Professions, by engaging in conduct that demonstrated bad faith, incompetency, untrustworthiness or that constituted dishonest, fraudulent or improper dealings. The Respondent stood to earn more commissions on the Duffy contract, as both seller's and buyer's agent. He therefore had a personal financial motive to encourage Mr. Sweeney to sign a second contract when he knew or should have known that the Claimants' contract was still in effect or, at the very least, that there existed a legal argument that the first contract was valid. The Respondent showed either greed or incompetence when he assured Mr. Sweeney that he was free to sign the Duffy contract. His conduct demonstrates bad faith and improper dealings. He told Mr. Sweeney that he had been a broker for eighteen years and in the real estate business for thirty years; he pushed Mr. Sweeney to rely on his advice, which, as stated above, he knew or reasonably should have know was incorrect.

The Respondent's conduct in this transaction violated the Code of Ethics for real estate professionals. The Respondent was required to protect the public against fraud, misrepresentation and unethical practices. COMAR 09.11.02.01C. Instead of protecting the

public, the Respondent misrepresented the status of the first contract and harmed the Claimants, Mr. Sweeney, and maybe Mr. Duffy, as well. He also damaged the integrity of the real estate profession. The Respondent failed to obtain a written waiver or release from the Claimants before he offered the same property to Mr. Duffy, in violation of the regulation requiring that all terms of an agreement be in writing. COMAR 09.11.02.01H. By violating the real estate professionals' Code of Ethics, the Respondent is subject to action on his license and a penalty under section 17-322(b)(33) of the Business Occupations and Professions article.

II. Regulatory Sanctions and Penalties

Instead of or in addition to reprimanding, suspending or revoking a real estate licensee for his or her violation of the above statutes and regulations, section 17-322(c) of the Business Occupations and Professions Article permits the REC to assess a monetary penalty of up to \$5,000.00 for each violation of the law, applying the following criteria:

- (i) the seriousness of the violation;
- (ii) the harm caused by the violation;
- (iii) the good faith of the licensee; and
- (iv) any history of previous violations by the licensee.

In this case, the Respondent was charged with four violations of the law; I have found that the Respondent violated three of those sections. Counsel for the REC recommended revocation of the Respondent's license and a penalty of \$2,000.00 for each violation.

As discussed above, the seriousness of the Respondent's violations was severe and the harm he caused was also severe. As the result of obtaining two contracts for one property, all the parties to the transactions were swept up in legal proceedings to determine their rights. The parties were also delayed in selling and buying the property for eight months.

In addition, the Respondent failed to demonstrated good faith in his interactions with the Claimants, other parties to the contracts, and with another real estate professional. He failed to

appear at the hearing and, therefore, did not present any possible mitigation for me to consider. The fact that the Respondent has no prior violations does not outweigh all the other factors that heavily weigh in favor of a monetary penalty.

Based on the Respondent's actions, I find that revocation of his license and a \$6,000.00 penalty is reasonable in this case.

III. Guaranty Fund Claim

Claims for reimbursement from the Fund are governed by section 17-404 of the Business Occupations and Professions Article, which states, in pertinent part, as follows:

§ 17-404. Claims against the Guaranty Fund.

(a)(1) Subject to the provisions of this subtitle, a person may recover compensation from the Guaranty Fund for an actual loss.

(2) A claim shall:

(i) be based on an act or omission that occurs in the provision of real estate brokerage services by:

1. a licensed real estate broker;

...

(ii) involve a transaction that relates to real estate that is located in the State; and

(iii) be based on an act or omission:

...

2. that constitutes fraud or misrepresentation.

With respect to claims against the Fund, COMAR 09.11.03.04 further provides as follows:

.04 Claims Against the Guaranty Fund.

A. A guaranty fund claim shall be based on the alleged misconduct of a licensee.

B. For the purpose of a guaranty fund claim, misconduct:

(1) Is an action arising out of a real estate transaction involving real estate located in this State which causes actual loss by reason of theft or embezzlement of money or property, or money or property unlawfully obtained from a person

by false pretense, artifice, trickery, or forgery, or by reason of fraud, misrepresentation, or deceit;

(2) Is performed by an unlicensed employee of a real estate broker or by a duly licensed real estate broker, associate broker, or salesperson; and

(3) Involves conduct for which a license is required by Business Occupations and Professions Article, Title 17, Annotated Code of Maryland.

The Claimants bear the burden of proving their claim against the Fund. Md. Code Ann., Bus. Occ. & Prof. § 17-407(e). I conclude that the Claimants have proven that they incurred damages as a consequence of the Respondent's misrepresentation.

When the settlement on the property became questionable, the Claimants were required to retain an attorney to attend the settlement with them on October 15, 2009 and to file actions against Mr. Sweeney and Mr. Duffy. Additionally, by the time the court proceedings were concluded and the Claimants were able to purchase the property in June 2010, their original loan application had expired. They were required to reapply and obtain a new appraisal and termite inspection for the property.

The Claimant testified that when the parties were unable to settle on the property in October 2009, she and her husband were required to remain in their rental home for a time after their lease had expired. Their landlord raised the rent and charged them for utilities for the entire property. They refused to pay the entire bill. When the Claimants filed the second application for a mortgage, they required their landlord's reference. He refused to give a reference unless the Claimants paid \$4,000.00 for the utility bill. They paid that amount. The Claimant argued that the loss was attributable to the Respondent because, had the settlement gone forward on October 15, 2009, they would not have required the second mortgage application and reference. The Fund argued that the Claimants' loss of \$4,000.00 was caused by the landlord and is not directly attributable to the Respondent.

Compensation from the Fund may only include losses from the originating transaction. COMAR 09.11.01.18. Here, the Claimants' \$4,000.00 loss was actually caused by the landlord; he was an intervening actor. Because the cost did not directly arise from the original transaction, the Claimants cannot recover for that loss.

Finally, the Claimants submitted a bill for the first termite inspection on October 7, 2009, for \$60.00, and a second bill for inspection and treatment on June 22, 2010, \$65.00 for inspection and \$650.00 for treatment. (CLS #4 and #5) The Claimants failed to demonstrate that the treatment was required because of the delay in settling on the property. Thus, they cannot recover from the Fund for that cost.

The Claimants met their burden of proof regarding the following losses from the originating transaction:

Attorney's fees (CLS #2)	\$15,625.00
Termite Inspection (CLS 35)	65.00
Appraisal	<u>400.00</u>
Total	\$16,090.00

CONCLUSIONS OF LAW

Based upon the foregoing Findings of Fact and Discussion, I conclude as a matter of law as follows:

1. The Respondent violated section 17-322(b)(3) of the Business Occupations and Professions Article, by willfully making misrepresentations and knowingly making false promises;
2. The Respondent violated section 17-322(b)(25) of the Business Occupations and Professions Article, by engaging in conduct that demonstrated bad faith, incompetency, untrustworthiness and that constituted dishonest, fraudulent or improper dealings;

3. The Respondent did not violate COMAR 11.09.02.02A or sections 17-322(b)(32) and 7-532(c)(1)(vi) of the Business Occupations and Professions Article, by failing to exercise reasonable care, diligence and absolute fidelity toward a client;
4. The Respondent violated section 17-322(b)(33) of the Business Occupations and Professions Article because he violated the provisions of the Code of Ethics set forth in COMAR 09.11.02.01C and H;
5. The Respondent's license as a real estate broker should be revoked and he should be assessed a \$6,000.00 penalty; and
6. The Fund should pay the Claimants their actual monetary loss, in the amount of \$16,090.00 for the Respondent's misconduct.

RECOMMENDED ORDER

I RECOMMEND that the Maryland Real Estate Commission **ORDER:**

1. The Real Estate Commission's charges against the Respondent, under sections 17-322(b)(3), (25) and (33) of the Business Occupations and Professions Article and COMAR 09.11.02.01C and H are **AFFIRMED**;
2. The Real Estate Commission's charges against the Respondent under sections 17-322(b)(32) and 17-532(c)(1)(vi) of the Business Occupations and Professionals Article and COMAR 09.11.01.02A are **DENIED**;
3. The Respondent's license is hereby **REVOKED**;
4. The Respondent shall pay to the Real Estate Commission a monetary penalty of \$6,000.00;

5. The Fund shall pay the Claimants their actual monetary loss in the amount of \$16,090.00;
7. The Respondent shall be ineligible for a Real Estate Commission license until he pays the monetary penalty to the Real Estate Commission and reimburses the Fund for the full amount of the award paid to the Claimants by the Fund, plus annual interest of at least ten percent; and
9. The Real Estate Commission's records and publications shall reflect this decision.

April 2, 2012
Date decision mailed

MKS/kc
131156

SIGNATURE ON FILE

Mary Shock
Administrative Law Judge

MARYLAND REAL ESTATE
COMMISSION

and

EUGENE SIBLEY & DONNA ALLEN
CLAIMANTS

v.

RONALD ST. PIERRE
RESPONDENT

* BEFORE MARY SHOCK,
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* OAH No: DLR-REC-24-11-30541
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* REC No: 11-RE-012
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FILE EXHIBIT LIST

The REC submitted the following documents, which I admitted into evidence:

- REC #1 Notice of Hearing, December 9, 2011, Return Receipts for Certified Mail, December 12, 13 and 20, 2011
- REC #2 REC Transmittal, undated, Statement of Charges and Order for Hearing, D. Allen, July 28, 2011
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Ronald Sweeney submitted the following documents, which I admitted into evidence:

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