

MARYLAND REAL ESTATE COMMISSION

IN THE MATTER OF :
THE PROPOSED WITHDRAWAL :
AND/OR SUSPENSION OF :
APPROVAL FOR BENNETT : **CASE NO. 2007-RE-301**
ACADEMY OF REAL ESTATE TO :
OFFER REAL ESTATE CONTINUING :
EDUCATION CLASSES :

: :

OPINION AND FINAL ORDER

Gregory Bennett, owner of Bennett Academy of Real Estate applied to the Maryland Real Estate Commission (“Commission”) to offer real estate continuing education classes. By letter dated November 14, 2013, Gregory Bennett, owner of Bennett Academy of Real Estate, was notified by the Commission that: “Under COMAR 09.11.06.03J(3) discipline by the Commission of a licensee who is also an education provider is a basis upon which course approval can be denied, suspended, or withdrawn....Your Maryland broker license was revoked in March of 2013 under Case 301-RE-2007. On this basis...the Commission has decided that applications for new continuing education courses will not be approved and that current approvals will be withdrawn.” Mr. Bennett was also informed by the November 14, 2013 letter of his right to request an informal conference with the Commission’s Education Committee to review the Commission’s decision.

Mr. Bennett requested an informal conference with the Commission’s Education Committee which was held by Commissioners Anne S. Cooke, Robin L. Pirtle, and Georgiana S. Tyler on January 15, 2014. Gregory Bennett, owner of Bennett Academy of Real Estate attended the conference with his attorney, Jordan Selzer, Esquire. As a result of the informal conference, the members of the Commission’s Education Committee determined that the matter

should be referred to a hearing panel of the Commission in accordance with the provisions of Code of Maryland Regulations (“COMAR”) 09.11.06.02D. By letter dated January 16, 2014, Mr. Bennett was notified that the matter of the proposed withdrawal and/or suspension of approval for Bennett Academy of Real Estate to offer real estate continuing education classes would be considered by a hearing panel of the Commission on February 19, 2014 and was informed of hearing procedures and his rights at the hearing.

On February 19, 2014, a hearing was conducted by Commissioners Marla S. Johnson, Jeff M. Thaler and Colette P. Youngblood. Jessica Berman Kaufman, Assistant Attorney General, represented the Commission. Gregory Bennett was represented by Jordan Selzer, Esquire. Gregory Bennett, the owner of Bennett Academy of Real Estate; Steven Long, Assistant Executive Director of the Commission; Patricia Hannon, Education Administrator for the Commission; Ashlee Goerdts and Tammey Drummond were placed under oath and testified as witnesses. The proceedings were electronically recorded.

SUMMARY OF EVIDENCE

The Commission submitted the following documents, which were admitted into evidence as the following numbered exhibits:

1. Hearing notice letter dated January 16, 2014.
2. Print out of Commission’s licensing record for Gregory R. Bennett.
3. Mandate and unreported Court of Special Appeals decision in the case of Gregory Bennett v. Maryland Real Estate Commission, et al., No. 2404, September Term, 2010.
4. Print out of Commission’s record of Exit Bennett Realty employees.
5. Print out of Commission’s licensing record for Thurman L. Battle.

6. Print out, dated February 3, 2014, from the internet website of www.exitrealty.com of listing agents affiliated with Exit Bennett Realty; biographical information on Gregory Bennett as well as listing information on several properties from the Metropolitan Regional Information Systems, Inc. website.

7. Print out, dated February 3, 2014, of information regarding Bennett Academy of Real Estate from the website www.bennettacademyofrealestate.com.

8. Print out of information, dated February 4, 2014, from the State Department of Assessments and Taxation, regarding Bennett Academy of Real Estate.

9. Commission's fact sheet regarding continuing education.

10. Certificate of approval number 1641 from the Maryland Higher Education Commission for Bennett Academy of Real Estate, LLC, dated August 26, 2011.

11. Commission's letter, dated September 13, 2011, to Gregory Bennett regarding certification of Bennett Academy of Real Estate.

12. Application for Continuing Education Course Approval forms of Bennett Academy of Real Estate for course offerings.

13. Print out of Commission's database for each course approval for Bennett Academy of Real Estate.

14. List of MREC-trained instructors as of 4-9-2012 in MREC Agency-Residential.

15. Print out of November 7, 2013 e-mail from Gregory Bennett to Patricia Hannon and November 12, 2013 e-mail from Patricia Hannon to Gregory Bennett.

16. Letter, dated November 14, 2013, from Patricia Hannon to Gregory Bennett.

17. E-mail, dated November 26, 2013, from Gregory Bennett to Patricia Hannon and letter, dated November 27, 2013 from Gregory Bennett to Patricia Hannon.

18. Letter, dated December 4, 2013 from Patricia Hannon to Gregory Bennett.
19. Letter, dated December 6, 2013, from Jordan Selzer to Patricia Hannon.
20. E-mail, dated December 10, 2013 from Jordan Selzer to Patricia Hannon and e-mail, dated December 13, 2013, from Patricia Hannon to Jordan Selzer.

FINDINGS OF FACT

After considering the evidence and testimony presented and having an opportunity to observe the demeanor of witnesses, the Commission finds by a preponderance of evidence:

1. Gregory Bennett was licensed as a real estate salesperson by the Commission on May 31, 1994 and was licensed as a real estate broker for Exit Bennett Realty on January 31, 2008.
2. On September 25, 2009, in case number 2007-RE-301, the Commission concluded that Gregory Bennett had engaged in fraudulent behavior and had violated Sections 17-322(b)(25) and (33) and COMAR 09.11.02.01C and COMAR 09.11.02.02A, Business Occupations and Professions Article, Annotated Code of Maryland (“Md. Bus. Occ. & Prof. Art.”) and ordered that all real estate licenses held by Gregory Bennett be revoked and that Gregory Bennett be assessed a civil penalty of \$15,000.00.
3. Gregory Bennett filed a petition for judicial review of the September 25, 2009 decision of the Commission to the Circuit Court for Prince George’s County. The Circuit Court for Prince George’s County affirmed the Commission’s Opinion and Final Order.
4. Gregory Bennett appealed the decision of the Circuit Court for Prince George’s County to the Court of Special Appeals. On October 22, 2012 the judgment of the Circuit Court for Prince George’s County was affirmed in an unreported opinion by the Court of Special Appeals in the case of Gregory Bennett v. Maryland Real Estate Commission, et al., Case No. 2404, September Term, 2010 .

5. Gregory Bennett did not file a Writ of Certiorari with the Court of Appeals within the required time period and the revocation of all real estate licenses held by Gregory Bennett became effective on March 11, 2013.

6. Thurman Battle is the current broker of record for Exit Bennett Realty. (Commission's Exhibit 5.)

7. Gregory Bennett is the sole owner and operator of Bennett Academy of Real Estate. (Commission's Exhibit 8.)

7. Exit Bennett Realty and Bennett Academy of Real Estate are located at the same address with different suite numbers. Exit Bennett Realty and Bennett Academy of Real Estate share the same telephone number.

8. Bennett Academy of Real Estate has been approved by the Maryland Higher Education Commission to operate a school offering a Principles and Practices of Real Estate Program. (Commission's Exhibit 10).

9. Bennett Academy of Real Estate has been approved by the Commission to offer the following continuing education courses: Fair Housing Law, Short Sales, Maryland Code of Ethics and Predatory Lending, Introduction to Real Estate Investment, Understanding Foreclosures, Understanding 203K Rehab Loans, Maryland Real Estate Legislative Update 2009-2011, Real Estate Contracts, How to Work with First Time Home Buyers, The Complete Listing Process, Maryland Real Estate Commission Agency-Residential, and Maryland Fair Housing Law. (Commission's Exhibit 12.)

10. Instructors for the Maryland Real Estate Commission Agency-Residential course must be approved by the Commission. Gregory Bennett was approved to teach the Agency-

Residential course by the Commission and his name is on the list of Commission trained instructors as of April 9, 2012. (Commission's exhibit 14.)

11. Gregory Bennett has taught Fair Housing Law and the Introduction to Real Estate Investment courses on a regular basis through Bennett Academy of Real Estate. He has also taught Maryland Code of Ethics, Short Sales, The Complete Listing Process, and How to Work with First Time Home Buyers classes through Bennett Academy of Real Estate.

12. On November 7, 2013 Gregory Bennett requested information from the Commission regarding the offering of online, distance continuing education classes. (Commission's Exhibit 15.)

13. On November 14, 2013, Patricia Hannon, Education Administrator for the Commission, sent a letter to Gregory Bennett which advised him that under COMAR 09.11.06.03J.(3), discipline by the Commission of a licensee who is also an education provider is a basis upon which course approval can be denied, suspended, or withdrawn and that the Commission had decided that new continuing education courses would not be approved and current approvals would be withdrawn based on the fact that his broker's license was revoked in March of 2013 under case number 301-RE-2007.

14. Gregory Bennett requested an informal conference with the Commission's Education Committee, in accordance with the provisions of COMAR 09.11.06.02B., to discuss the ability of Bennett Academy of Real Estate to continue to offer continuing education courses. The informal conference was conducted on January 15, 2014. The Education Committee, in accordance with the provisions of COMAR 09.11.06.02D. referred the matter to a hearing panel of the Commission which conducted the hearing on February 19, 2014.

15. Gregory Bennett, whose real estate licenses were revoked effective March 11, 2013, was noted as the listing agent for the following properties in the Metropolitan Regional Information System:

a) 7120 Ora Glen Ct., Greenbelt, MD 20770 which was listed, as MRIS # PG8066481, on April 27, 2013 and which settled on June 7, 2013.

b) 3512 25th Pl., Temple Hills, MD 20748 which was listed, as MRIS #PG8163290, on August 20, 2013 and which settled on November 8, 2013. (Commission's Exhibit 6.)

16. Real estate agents of Exit Bennett Realty are responsible for the entry of information into the Maryland Regional Information System for listings which they are handling.

17. Gregory Bennett, whose real estate licenses were revoked effective March 11, 2013, has referred to himself as the "Broker/Owner" of Exit Bennett Realty in an e-mail to the Commission dated November 7, 2013. (Commission's Exhibit 15.)

18. As of February 3, 2014, the website for Exit Bennett Realty contained a biography for Gregory Bennett, whose real estate licenses were revoked effective March 11, 2013, which included the statement: " I am a licensed real estate broker in Maryland, DC and Virginia." (Commission's Exhibit 6.)

19. Ashlee Goerdt, administrative assistant to Gregory Bennett for four years and part of the staff administration for Bennett Academy of Real Estate, testified that she maintains Exit Bennett Realty's website. She stated that Mr. Bennett's biography on the Exit Bennett Realty website is several years old and characterized the continued inclusion of the statement that he is a licensed real estate broker in Maryland as an "oversight". She opined that Gregory Bennett is a "great leader and motivator".

20. Tammy Drummond, who is affiliated with Exit Bennett Realty as an associate broker, referred to Gregory Bennett as her colleague and mentor. She opined that he is generous with his time and money and she referred to him as a role model for a young relative. Ms. Drummond also stated that Gregory Bennett regularly comes to the Exit Bennett Realty office.

21. Gregory Bennett has no history of violations other than the violations found in Case number 2007-RE-301.

DISCUSSION

COMAR 09.11.06.02G. provides, in regard to the continued ability of a course provider to offer continuing education class:

“The decision of the hearing panel as to suspension or withdrawal of course provider approval shall be based on the seriousness of the offense charged, the good faith of the provider, and any prior history of violations by the provider.”

Gregory Bennett has no history of violations other than the violations which he was found to have committed in Case number 2007-RE-301. However, the Commission concludes that the violations committed by Gregory Bennett were extremely serious. Mr. Bennett, acting in his capacity as a real estate professional, engaged in constructive fraud to the detriment of his client, Natresha Dawson. Ms. Dawson and Mr. Bennett had entered into a “regional sales contract” which referenced a “land installment contract”. The parties settled on the property on December 16, 2002. The land installment contract was signed by both parties and Ms. Dawson signed the deed, which was notarized at settlement, on the property. The documents provided that the property would be conveyed to Mr. Bennett upon payment of 40% or more of the purchase price, subject to a mortgage for the balance of the price. Upon notification that Mr. Bennett had failed to comply with the terms of a regional sales contract and land installment contract which required him to obtain a mortgage on the subject property within 90 days from

settlement and, during the interim period, to keep Ms. Dawson's mortgage payments current, Ms. Dawson notified Mr. Bennett that their relationship "shall cease to exist and shall be severed". Ms. Dawson subsequently re-entered the property, changed the locks on the property and secured a tenant. When she contacted the mortgage company to set up a forbearance plan to bring the past due mortgage current, she was informed that the mortgage had been paid in full by Cynthia Bennett, the wife of Gregory Bennett. A letter was then sent by the settlement agent which had been selected by Mr. Bennett, Troese Hughes Title Service, to Ms. Dawson's attorney enclosing an Affidavit of Principal Residence and an Affidavit as to Total Payment for Ms. Dawson's signature. Although Ms. Dawson refused to sign those documents, she subsequently learned that her signature had been forged on the two Affidavits. As noted by both the Circuit Court for Prince George's County and the Court of Special Appeals, Mr. Bennett's fraud was not confined to the forged documents.¹ Rather, Mr. Bennett's constructive fraud encompassed his actions in causing the property to be transferred to his wife once he knew that Ms. Dawson intended to void their contract and had demanded that the property be reconveyed to her. The harm caused to Ms. Dawson as a result of Mr. Bennett's constructive fraud was substantial: She ended up losing the subject property; she paid approximately \$17,000.00 in legal fees to fight Mr. Bennett over the property; she incurred actual damages in the amount of \$1,927.39; her credit rating was negatively affected; and her faith in the real estate profession was damaged. Mr. Bennett's fraudulent behavior not only impacted Ms. Dawson but also the reputation of the real estate profession with the public. The recording of documents with forged signatures in the land records is damaging to the public which has a right to rely on the authenticity of such signatures

¹ The Circuit Court noted that although Mr. Bennett was not shown to have personally forged the documents, he "clearly knew she [Ms. Dawson] did not sign the documents".

and to the integrity of the real estate profession. Violations involving fraud are among the most serious which can be committed by a licensee.

Gregory Bennett's conduct in regard to his dealings with Ms. Dawson clearly indicated a lack of good faith on his part. Further, the Commission finds that since his license was revoked, Mr. Bennett has continued to hold himself out to the public as a licensed real estate broker in Maryland and has continued to engage in the provision of real estate brokerage services. As of February 3, 2014, nearly one year after his real estate licenses were revoked by the Commission, the website for Exit Bennett Realty contained a biography for Mr. Bennett which states that he is licensed as a real estate broker in Maryland. (Commission's Exhibit 6.) In an e-mail to the Commission on November 7, 2013, approximately eight months after his real estate licenses were revoked, he referred to himself as the "Broker/Owner" of Exit Bennett Realty. (Commission's Exhibit 15.) In listings of real properties which were listed in June, 2013 and August, 2013 and which closed in June, 2013 and November, 2013, months after his real estate licenses had been revoked, Mr. Bennett was identified as the listing agent. (Commission's Exhibit 6.) Mr. Bennett's conduct in regard to his licensing status since the revocation of all of his real estate licenses indicates dishonest dealings with the public and bad faith on his part. The Commission finds that an owner/operator and instructor of a school which offers real estate continuing education must act in good faith in dealing with the public which is an ethical requirement of the real estate profession. The Commission concludes that Mr. Bennett's conduct in regard to Ms. Dawson as well as his conduct since the Commission's revocation of his real estate licenses discloses that he lacks the good faith which is required to be permitted to offer real estate continuing education courses. The Commission therefore concludes that the Commission's approval for Bennett Academy of Real Estate to offer future real estate continuing

education courses should be withdrawn and the Commission's prior approval to Bennett Academy of Real Estate for any currently scheduled real estate continuing education courses should be permanently withdrawn. Further, the Commission concludes that Gregory Bennett's name should be removed from the list of individuals who are authorized by the Commission to teach the Maryland Real Estate Commission Agency-Residential course.

CONCLUSIONS OF LAW

Based upon the foregoing Findings of Fact and Discussion, the Commission concludes, as a matter of law, that based upon the seriousness of the violations in Case number 2007-RE-301, an evaluation of the good faith of Gregory Bennett, the provider of real estate continuing education courses through Bennett Academy of Real Estate, in regard to both the violations found in Case number 2007-RE-301 and his conduct since the revocation of his real estate licenses by the Commission and his history of violations, the Commission approval of real estate continuing education courses offered by Bennett Academy of Real Estate should be withdrawn and the Commission's prior approval to Bennett Academy of Real Estate for any currently scheduled real estate continuing education courses should be permanently withdrawn. Further, the Commission concludes that Gregory Bennett's name should be removed from the list of individuals who are authorized by the Commission to teach the Maryland Real Estate Commission Agency-Residential course.

ORDER

The proposed denial of approval for new real estate continuing education courses and the proposed withdrawal of approval for currently approved real estate continuing education courses and the arguments of Gregory Bennett, owner/operator of Bennett Academy of Real Estate

against such proposed actions having been considered, it is this 5th day of March, 2014, by the Maryland Real Estate Commission, **ORDERED:**

1. That the Commission's approval of real estate continuing education courses offered by Bennett Academy of Real Estate, owned by Gregory Bennett, shall be withdrawn and the Commission's prior approval to Bennett Academy of Real Estate for any currently scheduled real estate continuing education courses shall be permanently withdrawn;

2. That Gregory Bennett's name shall be stricken from the list of individuals who are authorized by the Commission to teach the Maryland Real Estate Commission Agency-Residential course;

3. That a copy of this Opinion and Final Order be provided to the Maryland Higher Education Commission; and

4. That the records and publications of the Maryland Real Estate Commission reflect this decision.

MARYLAND REAL ESTATE COMMISSION

By: SIGNATURE ON FILE

Note: A judicial review of this Final Order may be sought in the Circuit Court of Maryland in which the Appellant resides or has his/her principal place of business, or in the Circuit Court for Baltimore City. A petition for judicial review must be filed with the court within 30 days after the mailing of this Order.