

BEFORE THE MARYLAND REAL ESTATE COMMISSION

MARYLAND REAL ESTATE
COMMISSION

*

CASE NO. 469-RE-2017

*

V.

*

JOANNA STRICKLAND
TAYLOR PROPERTIES
175 ADMIRAL COCHRANE DRIVE, #111*
ANNAPOLIS, MD 21401
Lic. Reg No. 662580

* * * * *

CONSENT ORDER AND SETTLEMENT AGREEMENT

This matter comes before the Maryland Real Estate Commission ("Commission") as the result of a complaint filed by Andre and Julia Alexander ("Complainants") against Joanna Strickland, a real estate salesperson, license registration number 05-662580, who is currently affiliated with Taylor Properties ("Respondent"), and an investigation by the Commission. To resolve this matter without a formal hearing, the Commission and the Respondent have agreed to enter into this Consent Order and Settlement Agreement to provide for the imposition of disciplinary measures which are fair and equitable in these circumstances and which are consistent with the best interest of the people of the State of Maryland.

The Commission and the Respondent agree and stipulate as follows:

1. At all times relevant to the matters set forth in this Consent Order and Settlement Agreement, the Commission has had jurisdiction over the subject matter and the Respondent.
2. The Respondent, license registration number 05-662580, is currently licensed by the Commission as a real estate salesperson affiliated with broker Taylor Properties. At the time of the events at issue, the Respondent was affiliated with broker RE/MAX Specialists.
3. The Respondent, acting as a listing and selling agent, listed 6906 Northgate Parkway, Clinton, Maryland 20735 (the "property") for sale. The Respondent and Marshall Strickland ("Mr. Strickland") (collectively "Sellers") were also the sellers of the property. The Sellers purchased the property to rehab and sell it; the Sellers signed a Maryland Residential Property Disclaimer Statement on February 17, 2017; the Sellers did not note knowledge of any latent defects.
4. The Respondent described the property in the remarks section of the property listing on the Metropolitan Regional Information System, Inc., as follows: "Amazing renovation- 5 bdrms, 3 full baths, large family rm-one of a kind gourmet kitchen includes granite counter-tops. Beautiful mosaic tile back splash. Beautiful wood floors in liv rm, din rm, hall and bdrms. Rear level patio and private fenced backyard. Contact Agent-Joanna Strickland 410-707-0732 w/offers."

5. On or about February 13, 2017, the Complainants, as buyers, entered into a residential contract of sale with the Sellers to purchase the property for \$320,000 with a settlement date of March 30, 2017. The contract of sale was contingent on a home inspection.

6. A home inspection was conducted on February 25, 2017. Thereafter, the Complainants notified the Respondent in writing of numerous items needing repair as set forth in the home inspection report including the roof. The home inspector noted in the report: "Roof Covering. Deficient. Asphalt composition shingle. Roof at the end of useful life-needs review by licensed roofing contractor. ..."

7. The Respondent received a proposal dated March 13, 2017 from Bill Krug of Area Roofing and Siding Company for \$8600 to install a new roof over old shingles. The Respondent received a proposal dated March 15, 2017 from Magic Construction for \$575 to remediate mold in a basement closet. The Respondent March 20, 2017 received a proposal from Mack's Chimney for \$5800 to make chimney repairs.

8. The Sellers agreed to make some, but not all, of the repairs requested by the Complainants set forth in several addendums to the contract of sale. In an email to the Complainants' buyer's agent dated March 21, 2017, the Respondent wrote: "Please review. We have crossed out and initialed items that will not be repaired by Seller." The repairs the Sellers did agree to make were as follows:

Pursuant to the home inspection conducted on February 24, 2017, the following items will be Repaired or Replaced by the seller prior to settlement.

EXTERIOR:

Removed Unconventional extension cord wiring through metal capping

FOUNDATION:

Have fungal growth noted at walls and framing in the basement from center bedroom review by a licensed mold specialist and corrected

ROOF:

Hole in attic fan casing. Repair loose fascia guttering at

PLUMBING:

Replace corroded drain at laundry sink

ELECTRICAL:

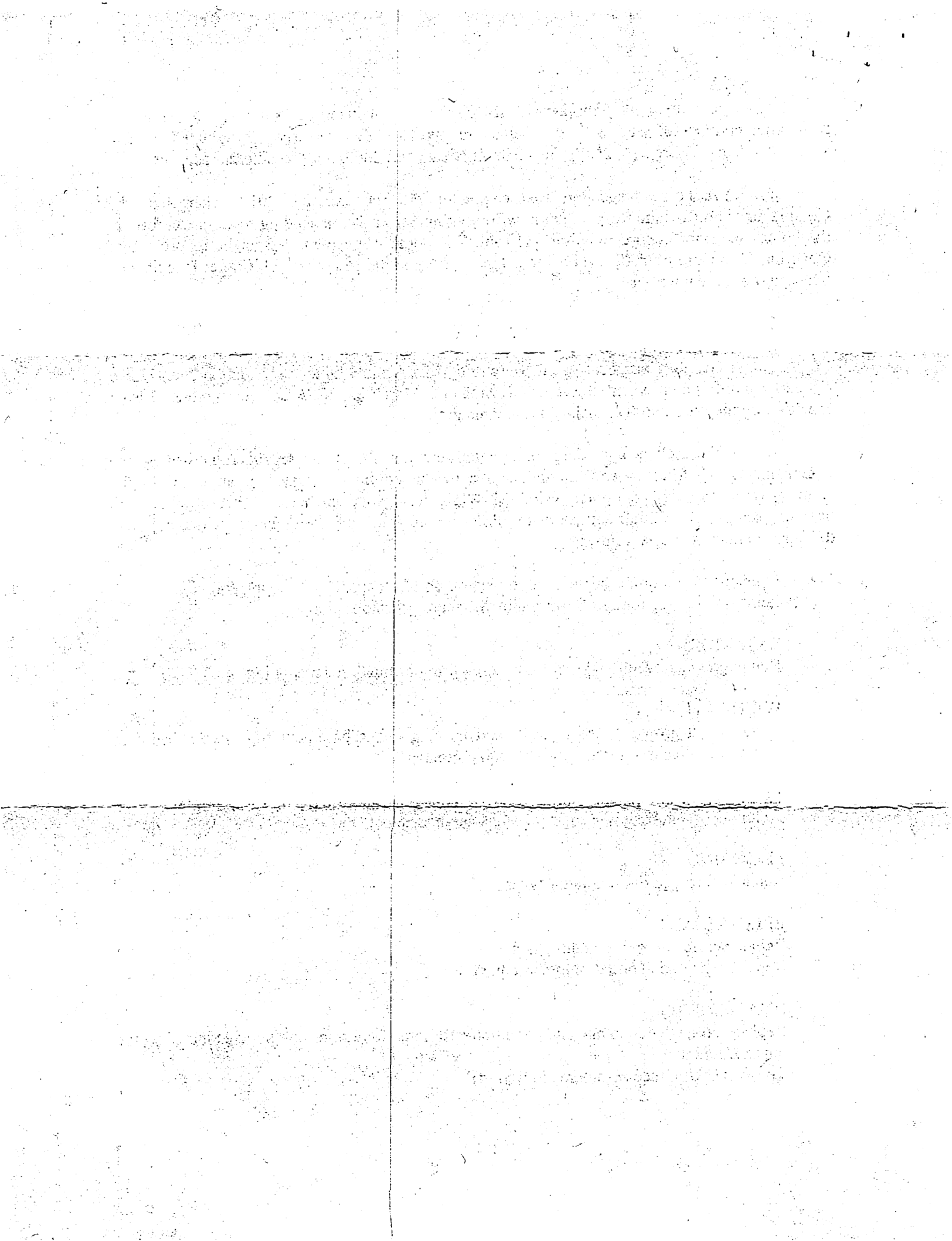
Repair Service entrance cable to home.

Repair ungrounded outlet in the basement den

HVAC SYSTEM:

Replace Furnace due to age and condition-rust noted to interior components including the burners/chamber

Repair AC Unit (see comments in Report)



INTERIOR ROOMS:

Repair Door jam in master bedroom

Repair broken window in the basement

Seller will replace/repair both fireplaces:

1 Gaps/voids exist above lintels, smoke chambers are not parged. Some flue tiles are dry stacked w/ large gap. Upstairs fireplace damper is broken and will not shut. Past water damage. Chimney has been patched in past and mortar is all over the roof.

Per: Chimney Certified inspector both fireplaces should be brought up to NEPA 211 2016 Standards before use. In their present condition, they are a potential fire hazard. Recommendation that Fireplaces not be used. See CHIMNEY INSPECTION REPORT ATTACHED.

...provide proof of ALL Permits pulled for Renovation per county standards/code...

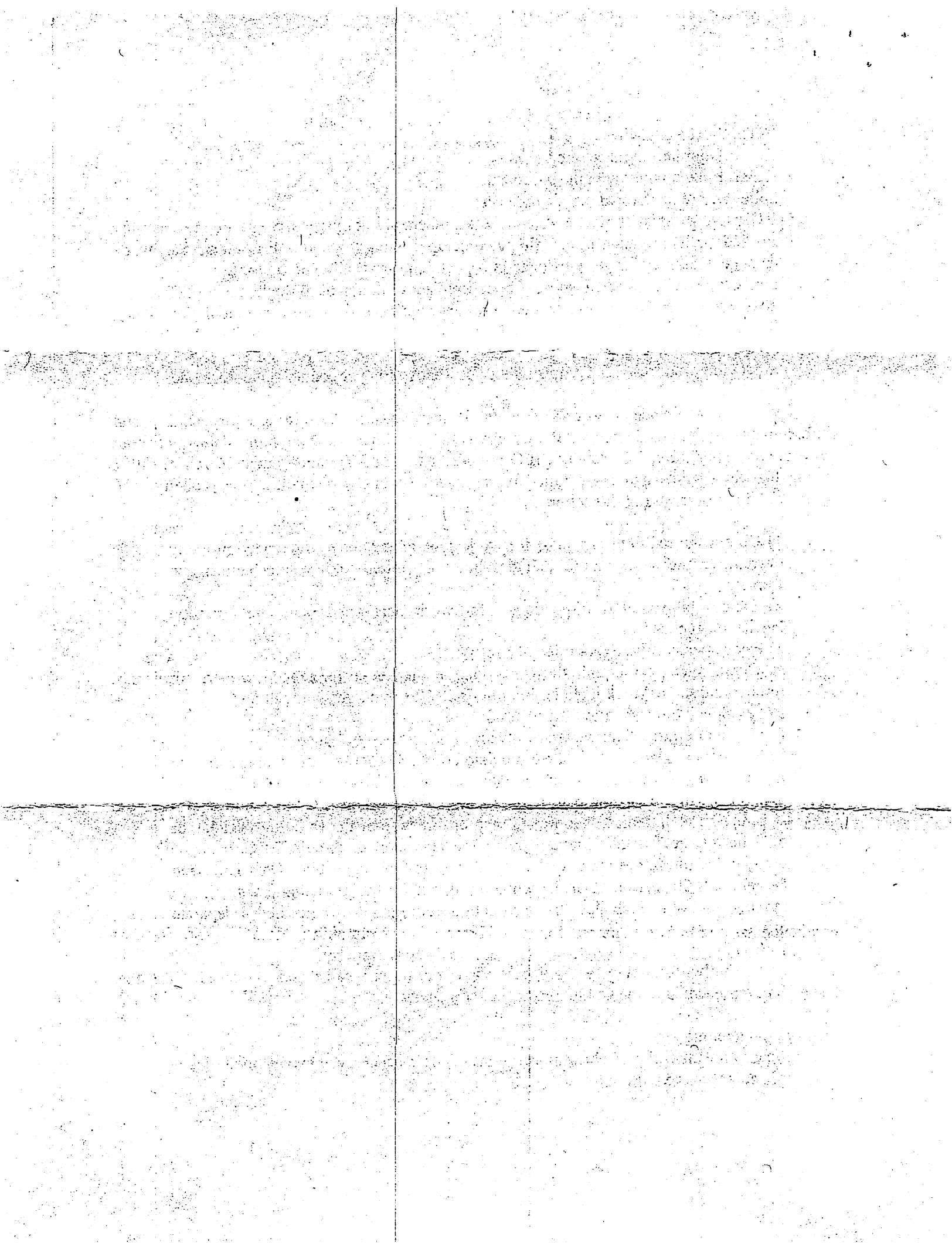
9. The Prince George's County Department of Permitting, Inspections, and Enforcement Inspections Division ("PG County PIED") received an anonymous complaint about the property. Thereafter, PG County PIED issued a Notice of Violation dated March 21, 2017 stating that no permits had been pulled for renovation work performed at the property. The Notice of Violation required the Sellers to:

- 1) Obtain the required permit(s) for work done at the above-referenced property or remove the same. Work includes but not limited to new mechanical and framing;
- 2) Obtain all required inspection(s) for work performed once the permit(s) has/have been issued;
- 3) Pay a special investigation fee of \$150;
- 4) Obtain electrical permit for work done at the above referenced property or remove the same. Work includes but not limited to new lights and outlets;
- 5) Pay Special investigation fee of \$100;
- 6) Stop work until all above are resolved;
- 7) Any person who shall violate a provision of the IBC/IRC, or of this Subtitle, or fail to comply with any requirements thereof, violates a lawful order issued thereunder, or any person who shall erect, construct, alter or repair a building or structure in violation of unapproved plan or directive of the Building Official, or of a permit or certificate issued under the provision of the IBC/IRC, shall be guilty of a misdemeanor punished by a fine or not more than One Thousand Dollars (\$1000) per day that the violation persists or by imprisonment for six (6) months, or both. Each day that a violation continues to be deemed a separate offense.

10. Notwithstanding the Notice of Violation, in an email dated March 23, 2017, the Respondent represented to the Complainants buyer's agent:

Good evening,

Please consult with your buyers as time is of the essence, we have decided that at this point we are willing to:



-Pay for roof resurface-Buyer will pay first \$4000 and Seller will agree to pay remaining balance. Seller will choose a Licensed contractor of their choice to perform to [sic] work. Proof of license will be provided upon completion. However, in the state of MD a license is NOT required for roofing.
<http://www.roofhelp.com/state-licensing-requirements.htm>

-Due to the fact that rehab performed on the property were primarily of "Cosmetic" nature and no material changes were made to the structure of property, we were NOT required to pull "Residential Building" permit. Please refer to Prince George's Co. website:
Permitting, Inspections and Enforcement
<http://www.princegeorgescountymd.gov/1501/Residential-Building>.

We appreciate your offer and interest in purchasing 6906 Northgate Pkwy, and will be requiring immediate notification (by 10A Saturday March 25, 2017) if you are interested continuing. There will be no further concession made by the Sellers.

Thanks

Marshall and Joanna Strickland

11. The Respondent's March 23, 2017 email misrepresented to the Complainants and their buyer's agent that "in the state of MD a license is NOT required for roofing." Md. Code Ann., Business Regulations Article ("BR"), Title 8 requires a person to have a contractor's license whenever the person acts as a contractor in Maryland. BR §8-101(c) defines "contractor" to mean "a person, other than an employee of an owner, who performs or offers or agrees to person a home improvement for an owner." BR §8-101(g) defines "home improvement" to mean "the addition to or alteration, conversion, improvement, modernization, remodeling, repair, or replacement of a building or part of a building that is used or designed to be used as a residence or dwelling place or a structure adjacent to that building."

12. The Respondent's March 23, 2017 email also misrepresented to the Complainants and their buyer's agent that: "Due to the fact that rehab performed on the property were primarily of "Cosmetic" nature and no material changes were made to the structure of property, we were NOT required to pull "Residential Building" permit." The March 21, 2017 Notice of Violation specifically provided that the Sellers must: "1) Obtain the required permit(s) for work done at the above-referenced property or remove the same. Work includes but not limited to new mechanical and framing;..."

13. On March 24, 2017, PG County PIED inspector Juan Swan ("Inspector Swan") conducted an onsite investigation, found evidence of new plumbing, HVACR, and electrical work and issued a Stop Work notice, which he posted at the property.

14. On March 31, 2017 the Complainants and the Sellers executed a "Mutual Release of Obligation Under Contract of Sale" in which they agreed to cancel the contract of sale and to disburse the \$2000 earnest money deposit to the Complainants.

15. On June 3, 2017 the Prince George's County Department of Permitting, Inspections & Enforcement Inspection Section issued a report titled "STATUS REPORT VIOLATION" noting next to "Violation satisfied. Close Case. Reason Case Closed" that "Permit obtained, fees paid and inspections conducted and finalized."

16. The Respondent admits that by her conduct described above she has violated Business and Occupations Article, Annotated Code of Maryland ("BOP") §§17-322 (b) (4), (25), (32) and (33), 17-532(b)(1) (iii), (iv), and (vi) as well as Code of Maryland Regulations ("COMAR") 09.11.02.01C and 09.11.02.02A and B, which provide:

§17-322. Denials, reprimands, suspensions, revocations, and penalties-- Grounds.

(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:

(4) intentionally or negligently fails to disclose to any person with whom the applicant or licensee deals a material fact that the licensee knows or should know and that relates to the property with which the licensee or applicant deals;

* * *

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

* * *

(32) violates any other provision of this title;

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

* * *

§17-532. Duties to client.

* * *

(b) *In general.*—(1) A licensee shall:

* * *

(iii) disclose to the client all material facts as required under §17-322 of this title;

(iv) treat all parties to the transaction honestly and fairly and answer all questions truthfully;

* * *

(vi) exercise reasonable care and diligence;

**Code of Maryland Regulations
Subtitle 11 Real Estate Commission
Chapter 02 Code of Ethics
.01 Relations to the Public**

C. The licensee shall protect the public against fraud, misrepresentation, or unethical practices in the real estate field. The licensee shall endeavor to eliminate

in the community any practices which could be damaging to the public or to the dignity and integrity of the real estate profession. The licensee shall assist the commission charged with regulating the practices of brokers, associate brokers, and salespersons in this State.

.02 Relations to Client

A. In accepting employment as an agent, the licensee shall protect and promote the interests of the client. This obligation of absolute fidelity to the client's interest is primary, but it does not relieve the licensee from the statutory obligations towards the other parties to the transaction.

B. In justice to those who place their interests in the licensee's care, the licensee shall endeavor always to be informed regarding laws, proposed legislation, governmental orders, and other essential information and public policies which affect those interests.

17. The Respondent consents to the entry of an Order that she has violated BOP §§17-322(b) (4), (25), (32) and (33), 17-532(b) (1) (iii), (iv), and (vi) as well as Code of Maryland Regulations ("COMAR") 09.11.02.01C and 09.11.02.02A and B and as penalty she agrees to the imposition of a REPRIMAND and to pay a civil penalty in the amount of \$3500. The civil penalty is to be paid upon the Respondent's execution of this Consent Order and Settlement Agreement.

18. The Respondent, by entering into the Consent Order and Settlement Agreement, expressly waives the right to the Commission issuing a Statement of Charges and Order for Hearing, an administrative hearing before an Administrative Law Judge of the Office of Administrative Hearings on the charges, the making of Findings of Fact and Conclusions of Law by an Administrative Law Judge, any and all further proceedings before the Commission, and any and all rights to appeal from this Consent Order.

19. The Commission agrees to accept this Consent Order and Settlement Agreement as the full and final resolution of Case No. 469-RE-2017.

BASED ON THESE STIPULATIONS AND AGREEMENTS, IT IS THIS 13th
DAY OF November, 2019 **BY THE MARYLAND REAL ESTATE**
COMMISSION:

ORDERED that the Respondent's has violated BOP §§17-322(b) (4), (25), (32), (33), 17-532(b) (1) (iii), (iv), (vi), and COMAR 09.11.02.01C and 09.11.02.02A and B; and it is further,

ORDERED that based on the violations, the Respondent be and hereby is **REPRIMANDED** and is assessed a civil penalty of \$3500.00, which amount is payable to the Commission upon the Respondent's execution of this Consent Order and Settlement Agreement; and it is further

Commission upon the Respondent's execution of this Consent Order and Settlement Agreement; and it is further

ORDERED that the Commission's records and publications reflect the violations and sanctions imposed on the Respondent.

MARYLAND REAL ESTATE COMMISSION:

By: _____

Michael Kasnic
Executive Director

SIGNATURE ON FILE

AGREED:

SIGNATURE ON FILE

Joanna Strickland
Respondent

_____ Date

11/6/19