

**BEFORE THE MARYLAND REAL ESTATE COMMISSION**

MARYLAND REAL ESTATE  
COMMISSION

\*

v.

RACHEL RESCH,  
Respondent

\*

CASE NO. 2021-RE-513

\*

OAH NO. DOL-REC-21-22-24581

\*

\* \* \* \* \*

MARYLAND REAL ESTATE  
COMMISSION

\*

v.

BRANDON SCOTT HARGREAVES,  
Respondent

\*

CASE NO. 2021-RE-513

\*

OAH NO. DOL-REC-21-22-24597

\*

\* \* \* \* \*

**PROPOSED ORDER**

The Proposed Findings of Fact, Proposed Conclusions of Law and Recommended Order of the Administrative Law Judge dated April 12, 2023, having been received, read and considered, it is, by the Maryland Real Estate Commission, this 29 day of June, 2023, hereby **ORDERED**:

A. That the Proposed Findings of Fact in the proposed decision be, and hereby are, **AFFIRMED**.

B. That the Proposed Conclusions of Law in the proposed decision be, and hereby are, **APPROVED** and **AMENDED** as follows:

Consequently, I conclude that Respondent Resch, only, be subject to the disciplinary sanction of a reprimand *and a civil penalty*. Md. Code Ann., Bus. Occ. & Prof. § 17-322(b) (Supp. 2022).

C. That the Proposed Order in the proposed decision be, and hereby is, **ADOPTED** and **AMENDED** as follows:

**ORDERED** that the Respondent, **RACHEL RESCH**, pay a civil penalty in the amount of **Four Thousand Dollars (\$4,000.00)** within thirty (30 days) of the date this Proposed Order becomes a Final Order and all rights to appeal are exhausted;

**ORDERED** that the Respondent, **RACHEL RESCH**, shall bring her license into compliance with Md. Code Ann., Bus. Occ. & Prof. § 17-511 (b) within thirty (30 days) of the date this Proposed Order becomes a Final Order and all rights to appeal are exhausted;

D. That the records, files, and documents of the Maryland Real Estate Commission reflect this decision.

E. Pursuant to Annotated Code of Maryland, State Government Article § 10-220, the Commission finds that the Recommended Decision of the Administrative Law Judge required modification because it omitted from the Proposed Conclusions of Law and Recommended Order a civil penalty and provisions by which Respondent Resch must bring her license into compliance. This case presents a rare occasion where the Commission disagrees with ALJ regarding certain areas of their recommendation. The Commission agrees with the ALJ that both Respondents acted upon the advice of others. However, Respondent Resch either lied or lied by omission when failing to answer the relevant question on her application, that is a significant violation, and she is thus eligible for a sanction.

F. Pursuant to Code of Maryland Regulations (COMAR) 09.01.03.09 those parties adversely affected by this Proposed Order shall have twenty (20) days from the postmark date of the Order to file written exceptions to this Proposed Order. The exceptions should be sent to the Executive Director, Maryland Real Estate Commission, 3rd Floor, 1100 N. Eutaw Street, Baltimore, MD 21201. If no written exceptions are filed within the twenty (20) day period, then this Proposed Order becomes final.

G. Once this Proposed Order becomes final, the parties have an additional thirty (30) days in which to file an appeal to the Circuit Court for the Maryland County in which the Appellant

resides or has his/her principal place of business, or in the Circuit Court for Baltimore City

**MARYLAND REAL ESTATE COMMISSION**

**SIGNATURE ON FILE**

Date

6/29/23

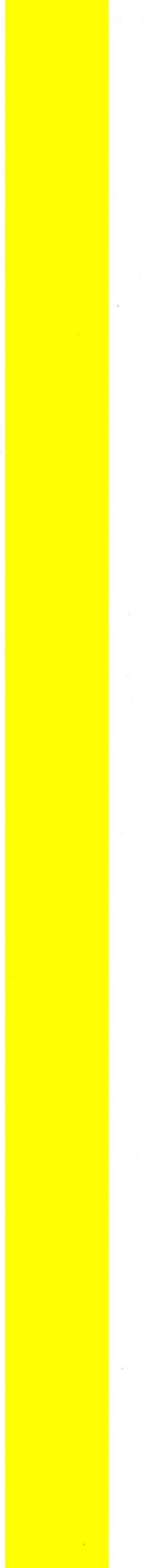
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MARYLAND REAL ESTATE  
COMMISSION

v.

RACHEL RESCH,  
RESPONDENT

\* BEFORE LEIGH WALDER,  
\* AN ADMINISTRATIVE LAW JUDGE  
\* OF THE MARYLAND OFFICE  
\* OF ADMINISTRATIVE HEARINGS  
\* OAH No.: LABOR-REC-21-22-24581  
\* MREC No.: 2021-RE-513

\* \* \* \* \*

MARYLAND REAL ESTATE  
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BRANDON SCOTT HARGREAVES,  
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\* BEFORE LEIGH WALDER,  
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\* OF THE MARYLAND OFFICE  
\* OF ADMINISTRATIVE HEARINGS  
\* OAH No.: LABOR-REC-21-22-24597  
\* MREC No.: 2021-RE-513

\* \* \* \* \*

**PROPOSED DECISION**

STATEMENT OF THE CASE  
REMAINING ISSUES  
SUMMARY OF THE EVIDENCE  
PROPOSED FINDINGS OF FACT  
DISCUSSION  
PROPOSED CONCLUSION OF LAW  
PROPOSED ORDER

**STATEMENT OF THE CASE**

On September 26, 2022, the Maryland Real Estate Commission (REC) issued a Statement of Charges against Rachel Resch (Respondent Resch) and Brandon Scott Hargreaves (Respondent Hargreaves) (collectively, the Respondents).

Specifically, the REC charged the Respondents with violating section 17-322(b)(25), (26), (32), as well as section 17-511(b)(1) of the Business Occupations and Professions Article of the Maryland Code.<sup>1</sup> The Statement of Charges advised the Respondents that if the charged violations were established, the REC would seek a reprimand, suspension, or revocation of any real estate license the Respondents held, along with a fine of up to \$5,000.00 per violation. The Statement of Charges included an Order for Hearing to allow the Respondents the opportunity to answer the Statement of Charges. On September 30, 2022, the REC forwarded the case to the Office of Administrative Hearings (OAH) to conduct a hearing. Md. Code Ann., Bus. Occ. & Prof. § 17-324 (2018).

On January 13, 2023, I held a consolidated hearing at the OAH in Hunt Valley, Maryland. *Id.* § 17-324(a). Hope Sachs, Assistant Attorney General, Maryland Department of Labor (Department), represented the REC. Richard L. Miller, Esquire, represented the Respondents.

After both parties presented evidence, the REC announced that it would dismiss the charges against the Respondents under section 17-322(b)(25) and (26) of the BOPA.

The contested case provisions of the Administrative Procedure Act, the Department's hearing regulations, the REC's procedural regulations, and the Rules of Procedure of the OAH govern procedure. Md. Code Ann., State Gov't §§ 10-201 through 10-226 (2021); COMAR 09.01.03; COMAR 09.11.03; COMAR 28.02.01.

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<sup>1</sup> For ease of reading, I will refer to the Business Occupations and Professions Article in sentences as the BOPA.

## REMAINING ISSUES

The REC having dismissed charges under section 17-322(b)(25) and (26) of the BOPA, the remaining issues are as follows:

1. Did the Respondents violate section 17-322(b)(32) or section 17-511(b)(1) of the BOPA?
2. If so, what is the appropriate sanction?

## SUMMARY OF THE EVIDENCE

### Exhibits

I admitted the following exhibits offered by the REC:

MREC Ex. 1 – Notice of Hearing, dated October 20, 2022

MREC Ex. 2 – Statement of Charges and Order for Hearing for Respondent Hargreaves, dated September 26, 2022

MREC Ex. 3 – Statement of Charges and Order for Hearing for Respondent Resch, dated September 26, 2022

MREC Ex. 4 – Licensing History for Respondent Resch, printed January 10, 2023

MREC Ex. 5 – Licensing History for Respondent Hargreaves, printed January 10, 2023

MREC Ex. 6 – Report of Investigation, undated, with attachments

I admitted the following exhibits offered by the Respondents:

Resp. Ex. 1 – Curriculum Vitae: Katherine F. Connelly, undated

Resp. Ex. 2 – Section 17-511 of the BOPA, undated

Resp. Ex. 3 – Letter from Richard L. Miller, Esquire, to the REC, dated May 7, 2021

Resp. Ex. 4 – Letter from Mr. Miller to the REC, dated April 16, 2015

Resp. Ex. 5 – Letter from Mr. Miller to the REC, dated February 4, 2015

Resp. Ex. 6 – Letter from Mr. Miller to the REC, dated April 28, 2017

Resp. Ex. 7 – Letter from Mr. Miller to the REC, dated December 11, 2015

Resp. Ex. 8 – Integrity Sales, LLC Amended and Restated Operating Agreement Schedule A, undated

Resp. Ex. 9 – First Amended and Restated Operating Agreement of Integrity Sales, LLC, undated

Resp. Ex. 10 – Maryland Application for an Additional Broker License, dated October 29, 2019

Resp. Ex. 11 – Maryland Application for an Original Broker License, dated October 4, 2022

### Testimony

The REC presented the testimony of: Lucinda Rezek, Paralegal, REC; and Michael L. Kasnic, Executive Director, REC.

The Respondents testified and presented the testimony of Katherine F. Connelly, former Executive Director of the REC from 2006 to 2017, who was accepted as an expert in license application and renewal procedures for Maryland real estate licensees, including approval criteria practices and policies of the REC.

### **PROPOSED FINDINGS OF FACT**

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

#### Background

1. From 2006 to 2017, Katherine F. Connelly served as the Executive Director of the REC.
2. Richard L. Miller, Esquire, as well as other attorneys within his law firm (Monshower, Miller & Magrogan, LLP (MM&M)), reached out to Ms. Connelly to determine whether it would be possible for a broker application to be approved by the REC when other members of the brokerage firm, other than the broker, held an ownership interest greater than 51% in the brokerage.



3. Ms. Connelly discussed this issue with the REC's assistant attorneys general, who advised that it would be possible to approve the application so long as various language was placed within the brokerage's operating agreement.

4. During Ms. Connelly's tenure, the REC approved broker applications, submitted by MM&M on behalf of its clients, when the brokerage's operating agreement contained language that granted the proposed broker the sole and exclusive right, power, and authority with respect to the provision of real estate brokerage services by the brokerage notwithstanding the ownership interests of the other members of the brokerage.

5. The language MM&M wrote into the operating agreements went along the following lines:

The provision of real estate brokerage services by [the brokerage], as opposed to management of the market center, shall be vested in the [brokerage's] designated real estate broker. The designated real estate broker may also serve as the manager, provided that the real estate broker is a class A member. The brokerage hereby designates [insert name], an individual licensed as a real estate broker within the Maryland Real Estate Commission, to act as its broker of record. The broker shall be individually responsible for the provision of real estate brokerage services by the [brokerage]. The broker shall have the authority to exercise reasonable and adequate supervision of the provision of real estate brokerage services by any individuals affiliated and licensed with the [brokerage], including any licensees who hold any membership interests in the [brokerage]. The broker shall have the sole right and authority, notwithstanding the voting interest of the members, to supervise, discipline and terminate real licensees affiliated with the [brokerage], including members licensed with the [brokerage], who, in the broker's judgment, fail to comply with the policies and procedures of the [brokerage] relating to real estate brokerage services and/or Maryland law concerning the provision of real estate brokerage services by the [brokerage] and its licensees. The designated real estate broker shall not be required to be a member of the [brokerage] and may be compensated by the [brokerage] for the services provided to the [brokerage]. Notwithstanding anything to the contrary in this Agreement, this Section may not be amended or modified in any manner to restrict, limit, or change the duties and authority of the designated real estate broker provided for herein except for the specific designation of the individual who shall be engaged as the real estate broker or as may be required by the

applicable provisions of Maryland law relating to the duties and authority of a real estate broker.<sup>2</sup>

(Resp. Ex. 5).

51% interest

6. In approximately 2013, Respondent Resch formed Integrity Sales, LLC, doing business as Keller Williams Integrity (KWI).

7. When KWI was formed in 2013, Respondent Resch held a 73% ownership interest and a 51% voting interest.

8. On April 16, 2015, Mr. Miller submitted an Application for an Original Broker License to the REC on behalf of George Brookhart to become the broker for KWI. Attached to Mr. Brookhart's application was a cover letter from Mr. Miller explaining that KWI's First Amended and Restated Operating Agreement (which was also attached) contained the MM&M Provision which would give Mr. Brookhart the sole and exclusive right, power, and authority with respect to the provision of real estate brokerage services by KWI, notwithstanding the ownership interests of the members.

9. On April 16, 2015, Respondent Resch held a 78% ownership and 51% voting interest in KWI. The voting interest was the voting percentage for management of KWI for "other than Real Estate Brokerage Services." (MREC Ex. 6, p. 75).

10. On October 12, 2017, Respondent Hargreaves filed an Application for an Original Broker License (Application) with the REC.

11. The purpose of the Application was so that Respondent Hargreaves could become KWI's broker.<sup>3</sup>

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<sup>2</sup> In this decision I will refer to this paragraph as the MM&M Provision.

<sup>3</sup> Mr. Brookhart would go from broker to associate broker.

12. Respondent Hargreaves listed four individuals on the Application as having an ownership interest in KWI.

13. One of the four individuals with an ownership interest in KWI was Respondent Resch, who held a 75% ownership interest in KWI at the time the Application was filed.

14. On the Application, Respondent Hargreaves listed Respondent Resch as the Operating Principal of KWI.

15. When Respondent Hargreaves filed the Application, Respondent Resch did not hold a real estate license.

16. The REC approved the Respondent Hargreaves' Application.

17. On December 20, 2017, Respondent Resch reinstated her real estate salesperson license under KWI brokerage while maintaining an ownership interest of an amount equal to, or larger than, 51% in KWI brokerage.

18. When renewing her real estate salesperson license, Respondent Resch was asked "yes" or "no" to the following question: "Do you own directly or indirectly or in combination with other associate brokers or salespersons more than 50% of a real estate business?" (MREC Ex. 6, p. 14). Respondent Resch did not answer this question on the renewal application.

19. Once Respondent Resch reinstated her real estate salesperson license under KWI brokerage, Respondent Hargreaves was the broker of record for KWI at the same time that Respondent Resch maintained an ownership interest of an amount equal to, or larger than, 51% in KWI brokerage.

20. On a date shortly after December 28, 2017, Respondent Resch assigned her ownership interest in KWI to Empire Builders, LLC, which is not in the business of providing real estate brokerage services.

## DISCUSSION

### Applicable Law & Burden of Proof

The REC contends that the Respondents violated sections 17-322(b)(32) and 17-511(b)(1) of the BOPA. Section 17-322(b)(32) of the BOPA provides: “Subject to the hearing provisions of § 17-324 of this subtitle, the [REC] may deny a license to any applicant, reprimand any licensee, or suspend or revoke a license if the applicant or licensee . . . violates any other provision of this title[.]” Section 17-511(b)(1) of the BOPA reads: “Not more than 50% of the interest in a business may be held directly or indirectly by associate real estate brokers, real estate salespersons, or any combination of associate brokers or salespersons.”

The following section sets out how to determine a penalty for violating section 17-322(b)(32) of the BOPA:

- (c)(1) Instead of or in addition to reprimanding a licensee or suspending or revoking a license under this section, the [REC] may impose a penalty not exceeding \$5,000 for each violation.
- (2) To determine the amount of the penalty imposed, the [REC] shall consider:
  - (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.
- (3) The [REC] shall pay any penalty collected under this subsection into the General Fund of the State.
- (4) The [REC] may not impose a fine based solely on a violation of subsection (b)(35) of this section.<sup>4</sup>

Md. Code Ann., Bus. Occ. & Prof. § 17-322(c) (Supp. 2022).

When not otherwise provided by statute or regulation, the standard of proof in a contested case hearing before the OAH is a preponderance of the evidence, and the burden of proof rests on the party making an assertion or a claim. State Gov’t § 10-217 (2021); COMAR 28.02.01.21K.

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<sup>4</sup> Section 17-322(b)(35) of the BOPA concerns an “applicant or licensee . . . [who] has been disciplined under a real estate licensing law of another jurisdiction.”

To prove an assertion or a claim by a preponderance of the evidence means to show that it is "more likely so than not so" when all the evidence is considered. *Coleman v. Anne Arundel Cnty. Police Dep't*, 369 Md. 108, 125 n.16 (2002). In this case, the REC bears the burden to prove by a preponderance of the evidence that the Respondents violated sections 17-322(b)(32) and 17-511(b)(1) of the BOPA. COMAR 28.02.01.21K(1), (2)(a).

#### Parties' Positions

The REC argues that the Respondents violated section 17-511(b)(1) of the BOPA and, thus, are in violation of section 17-322(b)(32) of the BOPA. The REC's argument is premised on the fact that Respondent Resch, a real estate salesperson, had an ownership interest of an amount equal to, or larger than, 51% in KWI brokerage. And Respondent Hargreaves was the broker of KWI when Respondent Resch held an ownership interest of an amount equal to, or larger than, 51% in KWI brokerage. Therefore, the REC argued that the Respondents should be subject to a reprimand and a \$4,000.00 penalty.

The Respondents argued that under the prior REC administration (i.e., when Ms. Connelly was the REC's Executive Director) the REC would approve broker applications when more than 50% of the interest in a business was held directly or indirectly by associate real estate brokers, real estate salespersons, or any combination of associate brokers or salespersons, so long as the brokerage's operating agreement contained the MM&M Provision. Further, the Respondents argue that considering the language set out in KWI's operating agreement that includes the MM&M Provision, the Respondents are not in violation of section 17-511(b)(1) of the BOPA and, thus, are not in violation of section 17-322(b)(32) of the BOPA. Further, the Respondents argue that they were denied due process as they were reliant on the REC's history of approving applications when more than 50% of the interest in a business was held directly or

indirectly by associate real estate brokers, real estate salespersons, or any combination of associate brokers or salespersons, so long as the brokerage's operating agreement contained the MM&M Provision. Finally, the Respondents argue that if they are found to be in technical violation of section 17-511(b)(1) and, thus, in violation of section 17-322(b)(32), that only a reprimand would be appropriate.

### Analysis

The facts in this case are not in dispute. The driving facts that led the REC to charge the Respondents with violating section 17-511(b)(1) of the BOPA are that on October 12, 2017, Respondent Hargreaves submitted the Application to become the broker of KWI. In the Application, Respondent Hargreaves identified Respondent Resch (who was unlicensed at the time) as the Operating Principal of KWI and having a 75% interest in KWI. Then, on December 20, 2017, Respondent Resch had her salesperson license reinstated under KWI while still maintaining an ownership interest in KWI of an amount equal to, or larger than, 51% in the brokerage. At issue is whether these facts amount to the Respondents being in violation of section 17-511(b)(1) of the BOPA.

### **Respondent Hargreaves**

The REC has failed to demonstrate how Respondent Hargreaves violated section 17-511(b)(1) of the BOPA. Respondent Hargreaves never had any ownership in KWI, therefore, without any further tie-in, I am unable to find that Respondent Hargreaves is in violation of section 17-511(b)(1) of the BOPA. As a result, I am also unable to find that Respondent Hargreaves is in violation of section 17-322(b)(32) of the BOPA. Therefore, no penalty is warranted against Respondent Hargreaves.

Presumably, the tie-in would have been under section 17-322(b)(26), which states that “the [REC] may deny a license to any applicant, reprimand any licensee, or suspend or revoke a license if the applicant or licensee . . . [who] with actual knowledge of the violation, associates with a licensee in a transaction or practice that violates any provision of this title[.]” However, as explained above, the REC dropped this charge against the Respondents. As such, there is no tie-in to find that Respondent Hargreaves violated section 17-511(b)(1) or section 17-322(b)(32) of the BOPA.

### **Respondent Resch**

Section 17-511(b)(1) of the BOPA dictates that “[n]ot more than 50% of the interest in a business may be held directly or indirectly by associate real estate brokers, real estate salespersons, or any combination of associate brokers or salespersons.” Section 17-511(a)(4) of the BOPA defines “interest in a business” as “the outstanding voting stock of the corporation through which real estate brokerage services are provided.” For the following reasons, I agree with the REC that Respondent Resch committed a technical violation of section 17-511(b)(1) of the BOPA.

Although the Respondents argued that the MM&M Provision in KWI’s operating agreement, in essence, vested Respondent Hargreaves with the sole and exclusive right, power, and authority with respect to the provision of real estate brokerage services by KWI notwithstanding the ownership interests of Respondent Resch, this does not obviate the fact that Respondent Resch had an ownership interest in KWI of an amount equal to, or larger than, 51%. I have considered the definition of “interest in a business” as provided for in section 17-511(a)(4) of the BOPA. In doing so, Respondent Resch technically held voting stock in KWI, through which real estate brokerage services were provided. Although the voting stock was for

“management of LLC other than Real Estate Brokerage Services,” KWI was a business through which real estate brokerage services were provided, as defined in section 17-511(a)(4) of the BOPA. (Resp. Ex. 9). As will be detailed further below, I find that the MM&M Provision in the KWI operating agreement plays a role in determining the appropriate sanction in this matter.

Although Respondent Resch may have been reliant on the REC’s history of approving applications when more than 50% of the interest in a business was held directly or indirectly by associate real estate brokers, real estate salespersons, or any combination of associate brokers or salespersons, so long as the brokerage’s operating agreement contained the MM&M Provision, I do not find that due process mandates that the Respondent Resch receive notice from the REC that it will follow the laws contained within section 17-511(b)(1) of the BOPA. However, as will be detailed further below, I find that this plays a role in determining the appropriate sanction in this matter. While Ms. Connelly and the assistant attorneys general who assisted the REC when Ms. Connelly was the Executive Director allowed this type of transaction to occur during Ms. Connelly’s tenure, the REC is not now estopped from mandating adherence to section 17-511(b)(1) of the BOPA.

I have also considered the purpose and intent of 17-511(b)(1) of the BOPA. Both Ms. Connelly and Mr. Kasnic testified that the purpose and intent of 17-511(b)(1) of the BOPA is to ensure that a firm’s broker can control the brokerage and can appropriately manage employees who work under them. In essence, this provision is in place to make sure that the broker’s underlings do not exert more power in the brokerage than the broker. Although Ms. Connelly, in her expert opinion, opined that the Respondents should not be found in violation of section 17-511(b)(1) of the BOPA, because the MM&M Provision is in harmony with the purpose and intent of section 17-511(b)(1), this does not obviate the fact that Respondent Resch held an



ownership interest in KWI of an amount equal to, or larger than, 51%. However, all of this plays a role in determining the appropriate sanction in this matter.

### Sanction

The REC argued that a reprimand and a \$4,000.00 sanction against the Respondents was appropriate for violating sections 17-511(b)(1) and 17-322(b)(32) of the BOPA. Considering that Respondent Resch technically violated these two provisions of the BOPA, I agree that a reprimand is warranted against Respondent Resch. *See Md. Code Ann., Bus. Occ. & Prof. § 17-322(b) (Supp. 2022)*. However, I do not find that these violations justify the imposition of any monetary penalty against Respondent Resch. In coming to this conclusion, I turn to section 17-322(c)(2) of the BOPA, which sets out:

- (2) To determine the amount of the penalty imposed, the [REC] shall consider:
  - (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.

The REC conceded that it believed the Respondents acted in good faith (explaining why the REC dropped its charges against the Respondents for violating section 17-322(b)(25) and (26) of the BOPA). The REC also conceded that the Respondents do not have any history of violations. So, the two provisions to analyze are the seriousness of the violation and the harm caused by the violation. *See Id. § 17-322(c)(i) and (ii)*. The REC argued that this violation was serious as a broker's supervision of the brokerage should be considered a top priority. The REC did not touch upon whether any harm ensued from the violation.

I am unable to find that this violation was serious. The MM&M Provision provided a structure where Respondent Resch would not have been able to exert control over Respondent Hargreaves' supervision of KWI.

In previous years, the REC allowed brokerage firms to operate in contravention of section 17-511(b)(1) of the BOPA after consulting with its assistant attorneys general. Finally, the MM&M Provision ensured that Respondent Hargreaves had sole and exclusive right, power, and authority with respect to the provision of real estate brokerage services by the brokerage notwithstanding the ownership interests of Respondent Resch,<sup>5</sup> which is in keeping with the purpose and intent of 17-511(b)(1) of the BOPA. Further, there is no evidence that any harm ensued due to this violation. For these reasons, I do not find it appropriate to impose any monetary penalty against Respondent Resch. *See id.* § 17-322(c).

#### **PROPOSED CONCLUSIONS OF LAW**

I conclude that Respondent Hargreaves did not violate section 17-322(b)(32) and section 17-511(b)(1) of the BOPA. Md. Code Ann., Bus. Occ. & Prof. §§ 17-322(b)(32), 17-511(a)(4), (b)(1) (Supp. 2022).

I conclude that Respondent Resch violated section 17-322(b)(32) and section 17-511(b)(1) of the BOPA. Md. Code Ann., Bus. Occ. & Prof. §§ 17-322(b)(32), 17-511(a)(4), (b)(1) (Supp. 2022).

Consequently, I conclude that Respondent Resch, only, be subject to the disciplinary sanction of a reprimand. Md. Code Ann., Bus. Occ. & Prof. § 17-322(b) (Supp. 2022).

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<sup>5</sup> This included the sole right and authority, notwithstanding the voting interest of the members, to supervise, discipline and terminate real licensees affiliated with KWI, including members licensed with the KWI, who, in Respondent Hargreaves' judgment, fail to comply with the policies and procedures of KWI relating to real estate brokerage services and/or Maryland law concerning the provision of real estate brokerage services by KWI and its licensees. (*See Resp. Ex. 9*).

**PROPOSED ORDER**

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

The charges against Respondent Hargreaves for violating sections 17-322(b)(32) and 17-511(b)(1) of the Business Occupations and Professions Article be **DISMISSED**.

The charges against Respondent Resch for violating sections 17-322(b)(32) and 17-511(b)(1) of the Business Occupations and Professions Article be **UPHELD**; and

That Respondent Resch, only, be subject to a **REPRIMAND** as an appropriate sanction.

**SIGNATURE ON FILE**

April 12, 2023  
Date Decision Mailed

\_\_\_\_\_  
Leigh Walder  
Administrative Law Judge

LW/sh  
#204484

