

THE MARYLAND REAL ESTATE COMMISSION

MARYLAND REAL ESTATE  
COMMISSION  
V.

GERTHA LEE YOUNG  
RESPONDENT

AND

CLAIM OF JOHN M. CAMPER, III  
AGAINST THE MARYLAND  
REAL ESTATE COMMISSION  
GUARANTY FUND

\* BEFORE A.J. NOVOTNY, JR.,  
\* ADMINISTRATIVE LAW JUDGE,  
\* OF THE MARYLAND OFFICE OF  
\* ADMINISTRATIVE HEARINGS  
\* OAH No: DLR-REC-24-08-02094  
\* REC CASE NO: 2007-RE-225  
\*

\* \* \* \* \*

**PROPOSED ORDER**

The Findings of Fact, Conclusions of Law and Recommended Order of the Administrative Law Judge dated November 17, 2008, having been received, read and considered, it is, by the Maryland Real Estate Commission, this 18th day of December , 2008,

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

December 18, 2008  
Date

By: *Anne S. Cooke*  
Anne S. Cooke, Commissioner

MARYLAND REAL ESTATE  
COMMISSION

v.

GERTHA LEE YOUNG, RESPONDENT

and the

CLAIM OF JOHN M. CAMPER, III

AGAINST THE MARYLAND REAL

ESTATE COMMISSION GUARANTY

FUND

\* BEFORE A. J. NOVOTNY, JR.,  
\* AN ADMINISTRATIVE LAW JUDGE  
\* OF THE MARYLAND OFFICE OF  
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\* OAH CASE NO: DLR-REC-24-08-02094  
\* COMPLAINT NO.: 2007-RE-225  
\*  
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**PROPOSED DECISION**

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

**STATEMENT OF THE CASE**

On October 3, 2006, John M. Camper, III (Claimant) filed a complaint (Complaint) with the Maryland Real Estate Commission (REC). The Claimant also filed a claim for reimbursement (Claim) against the REC's Guaranty Fund (the Fund) for losses allegedly caused by the acts and omissions of a licensed real estate broker, Gertha Lee Young (Respondent). A companion complaint was filed against the Respondent's salesperson/agent, Derrick L. Plummer (see OAH Case No. DLR-REC-24-08-02091, REC Complaint No. 2007-RE-25).

Based on the Complaint, the REC determined that charges against the Respondent were warranted and, on December 20, 2007, the REC filed a Statement of Charges and Order for

Hearing (Charges). The Charges also indicated that the REC determined that the Claimant was entitled to a hearing on the Claim against the Fund as these matters arose out of the same facts and circumstances and, therefore, should be heard and determined at the same time. These matters were transmitted to the Office of Administrative Hearings (OAH) on January 8, 2008.

On April 18, 2008, the OAH sent notices of the hearing by certified mail to the Respondent at the business address on file with the REC, National REO Sales.<sup>1</sup> The Respondent has listed this as her business address since June 18, 1997. The notice advised the Respondent of the time, place, and date of the hearing. The certified mail receipts were not returned by the Respondent. Other correspondence between the REC and the Respondent regarding the claim had been sent to and received from the address for the Respondent at National REO Sales.

On September 15, 2008, I held a hearing at the OAH in Hunt Valley, Maryland on the Charges against the Respondent and the Claim against the Fund. This hearing was held as a combined hearing with the charges against Derrick L. Plummer and the Claimant's claim against the Fund for the actions of Mr. Plummer as the Respondent's salesperson. There was no formal motion to consolidate. The decision in the case against Derrick L. Plummer and the accompanying Fund claim is under OAH No. DLR-REC-24-08-02091. Assistant Attorney General Jessica Kaufman, Esquire, appeared on behalf of the REC; the Fund was represented by Assistant Attorney Matthew Lawrence, Esquire. The Claimant was present and represented himself. The Respondent was not present nor was there any person or persons claiming to be her agent or representative.

For various reasons addressed in detail below, I concluded that all reasonable attempts had been made to give notice to the Respondent. Consequently, I directed that the case proceed

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<sup>1</sup> Located at 6502 Acorn Court, Temple Hills, Maryland 20748; this is also the Respondent's home address.

in the Respondent's absence under section 17-324(f) of the Business Occupations and Professions Article, Annotated Code of Maryland (2004) and section 10-209 of the State Government Article, Annotated Code of Maryland (2004 & Supp. 2008), as well as the Code of Maryland Regulations (COMAR) 09.01.02.07D and 09.01.02.09.

Procedure is governed by the Administrative Procedure Act, Md. Code Ann., State Gov't. §§ 10-201 through 10-226 (2004 & Supp. 2008), OAH's Rules of Procedure, COMAR 28.02.01, and the REC's Hearing Regulations, COMAR 09.11.03.02 and 09.01.03.

### **ISSUES**

1. Did the Respondent engage in conduct that demonstrates bad faith, incompetency, or untrustworthiness or that constitutes dishonest, fraudulent or improper dealings in violation of section 17-322(b)(25) of the Business Occupations and Professions Article?
2. Did the Respondent engage in conduct that failed to treat all parties honestly and fairly, failed to account for all trust money received in a timely manner, or failed to exercise reasonable care and diligence in violation of sections 17-322(b)(32) and section 17-532(c) of the Business Occupations and Professions Article?
3. Did the Respondent engage in conduct that failed to protect the public against fraud, misrepresentation, or unethical practices in the real estate field in violation of section 17-322(b)(33) of the Business Occupations and Professions Article and COMAR 09.11.02.01?
4. Did the Respondent fail to supervise her salesperson in violation section 17-322(b)(33) of the Business Occupations and Professions Article and COMAR 09.11.05.02?
5. Did the Claimant suffer an actual monetary loss as a result of the conduct of the Respondent and, if so, what is the amount of the loss?

### **SUMMARY OF THE EVIDENCE**

#### **Exhibits<sup>2</sup>**

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

REC #1: Notices of Hearing sent to Derrick L. Plummer with attached envelopes and green cards

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<sup>2</sup> Exhibits admitted were admitted for this case and for the companion case as one set of exhibits and were so numbered.

REC #2: Statement of Charges and Order for Hearing against Derrick L. Plummer (OAH No. DLR-REC-24-08-02091)

REC #3: Derrick L. Plummer's licensing record with the REC as a salesperson (License # 603956)

REC #4: Affidavit of Steven Long stating investigative attempts to uncover the current address for the Respondent

REC #5: Consent order between Derrick L. Plummer and REC, dated August 14, 2008 (REC No. 2007-RE-173 and OAH No. DLR-REC-21-08-02083)

REC #6: Notice of Hearing sent to the Respondent

REC #7: Statement of Charges and Order for Hearing against the Respondent

REC #8: The Respondent's licensing history with the REC as a broker (Lic. #66908)

REC #9: Investigative Services Report of Investigation prepared by REC Investigator Robert Oliver with the following attachments:

1. Complaints filed by Claimant, dated October 2, 2006;
2. Response letter from the Respondent dated, October 9, 2006;
3. Letter from Joyce Wallace with attachments dated, October 9, 2006;
4. Letter from Respondent with attachments, dated October 31, 2006;
5. Residential Contract for Sale dated June 9, 2006 for 415 South Main Street, Hurlock, MD 21643;
6. Pre-Approval letter from Seraphim Financial to buyer;
7. Copy of personal check #1032 payable to National REO Sales, dated June 2, 2006, and signed by the buyer;

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

Claimant #1: Foremost Insurance proof of property insurance

Claimant #2: Settlement statement for the property, dated August 31, 2006

Claimant #3: Electric bills from Delmarva Power for the property, various dates

Neither the Fund nor the Respondent offered any documents into evidence.

### Testimony

The REC called the following witnesses:

1. The Claimant;
2. The Claimant's realtor, Joyce Wallace; and
3. Robert Oliver, Investigator for the REC

The Claimant also testified in support of his claim against the Fund.

No witnesses were presented on behalf of the Respondent or the Fund.

### **FINDINGS OF FACT**

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

1. The Respondent has been licensed by the REC in Maryland since May 31, 1984 and licensed as a broker since May 19, 1986, under license number 66908. The Respondent's license has an expiration date of November 19, 2008.
2. At the time of the sale of the property at issue in this case, the Respondent was a broker at National REO Sales in Temple Hills, Maryland.
3. At all times relevant to this matter, the Respondent was the supervising broker for the buyer's agent, Derrick L. Plummer.
4. The property is located at 415 South Main Street in Dorchester County, Maryland.
5. The Claimant was represented in the transaction by Joyce Wallace, an assistant broker with Prudential Premier Properties.
6. In June of 2006, a contract for sale was executed between the Claimant and Terrence Wallace, who was represented by National REO Sales.

7. The contract for sale was contingent on the buyer acquiring financing. The buyer had a pre-approval letter from a financing company and was to pay a \$1000 earnest money deposit on the property.
8. The buyer submitted check #1032 to the Respondent for the \$1000 deposit.
9. The buyer's check was deposited on July 11, 2006 and returned for insufficient funds on July 17, 2006.
10. Neither the Respondent nor the Respondent's agent, Mr. Plummer, notified either the Claimant or his realtor of the return of the earnest money deposit check.
11. The Respondent and her agent not only failed to communicate with the Claimant and his realtor, but failed to answer communications regarding the sale of the house and the earnest money deposit.
12. The contract for the sale of the property did not go to settlement because the buyer was unable to obtain financing. The sale was never completed.
13. The Claimant requested that the deposit funds be released to him, but those funds were never transmitted to the Claimant.
14. The Claimant sold the property to a different buyer on August 31, 2006.

## **DISCUSSION**

### **I. Notice requirements**

A threshold question in this case is whether the Respondent received adequate and timely notice of the hearing; if the Respondent were properly notified of the hearing, the case could proceed in her absence. At least ten days before the hearing, notice must be given to a respondent by certified mail to his or her last known business address. Md. Code Ann., Bus. Occ.

& Prof. § 17-324(d)(1) (2004). If, after due notice, a respondent fails or refuses to appear, the case may go forward. Md. Code Ann., Bus. Occ. & Prof. § 17-324(f) (2004).

A Notice of Hearing was mailed to the Respondent by certified and regular mail on April 8, 2008, to the address that the REC had on record for the Respondent. (REC Exhibit #6). I am satisfied that the OAH Notice of Hearing sent to the Respondent was reasonably calculated to give her adequate notice to appear at the hearing for the following reasons. The Respondent was still licensed during the initiation of these proceedings. She has operated at the same business address for eleven years and the address is also her home address. Additionally, she had sent communications from that address to the REC during the course of this case. Accordingly, when the Respondent failed to appear, the case properly proceeded in her absence, adequate notice having been given.

## **II. Regulatory Charges**

The charges against the Respondent arose out of a contract for sale executed in June 2006 between the Claimant and the Respondent as broker for the buyer. The REC alleges that the Respondent engaged in conduct demonstrating dishonest dealings and that the Respondent breached a duty owed to the Claimant as a party to that transaction. (REC Exhibit #7). It is alleged that the Respondent engaged in dishonest dealings by not notifying the Claimant of the status of the deposit check or of the buyer's failure to secure financing. It is further alleged that there was a complete lack of communication between the Respondent and the Claimant as well as his agent, Ms. Wallace.

The buyer entered into a contract to purchase the property on June 15, 2006. (REC Exhibit #9). The buyer was represented by the Respondent's salesperson, Derrick L. Plummer, and the Claimant was represented by Ms. Wallace. The contract was subject to the buyer

obtaining a financing commitment within forty days. The purchase price for the property was \$130,000, and the buyer gave REO Sales (the Respondent's employer) a check for \$1000 as an earnest money deposit. (REC Exhibit #9). The deposit check was deposited on July 11, 2006 but was returned for insufficient funds. (REC Exhibit #9, Attachment #8). The contract did not close at that time because the buyer was still attempting to obtain financing.

The contract stated that the buyer was to have a financial commitment letter from a lender by July 24, 2006, but the buyer was ultimately unable to obtain financing. The Respondent did not notify the Claimant or his agent that the earnest money deposit check had been returned nor did the Respondent notify the Claimant or his agent that the buyer was unable to obtain financing. The Claimant's agent attempted on numerous occasions to contact the Respondent concerning the status of the sale, but was unable to make any contact with her from July 21, 2006 until August 23, 2006. (REC Exhibit #9). Ms. Wallace testified that she was never notified that the deposit check had bounced nor had she been told that the loan was denied although the scheduled settlement date passed. Ms. Wallace submitted a claim form for a release of the earnest money deposit, but the deposit was never released to the Claimant. (Testimony Claimant; Testimony Wallace).

The Respondent did not testify at the hearing as she was not present, but during her interview with REC Investigator Oliver, she stated that she never saw the contract for the sale of the property but that she did, in fact, receive the earnest money deposit check. (REC Exhibit #9). The Respondent admitted to Mr. Oliver that she did not follow through with her salesperson's action in relation to the earnest money deposit and that she did not return telephone calls or answer letters. (REC Exhibit #9). The Respondent also admitted to Mr. Oliver that she was

“tired of problems involving Plummer” and that she “ignored all communications she received that involved him.” (REC Exhibit #9).

The REC charged the Respondent with violations of the statutory and regulatory sections governing licensed real estate brokers and agents. The sections of the law that the Respondent allegedly violated are set forth below:

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

...  
(b) *Grounds.* – 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:

...  
(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 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.

Md. Code Ann., Bus. Occ. & Prof. § 17-322(b)(25),(32), and (33) and (c)(1) (2004).

The Respondent is also charged with breaching, in conjunction with § 17-322(b)(32) of the Business Occupations and Professions Article, section 17-532(c)(1)(iv), (v), and (vi), which read:

(c) *In general*— (1) a licensee shall:

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

(v) in a timely manner account for all trust money received;

(vi) exercise reasonable care and diligence.

Md. Code Ann., Bus. Occ. & Prof. § 17-532(c) (2004).

The Code of Ethics for Real Estate agents is found at COMAR 09.11.02. The code of ethics provision charged as part of the allegation under Business Occupations and Professions Article section 17-322(33), COMAR 09.11.02.01, provides in pertinent part:

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.

Because of her status as a broker rather than a salesperson, the Respondent is additionally charged with violating COMAR 09.11.05.02 Requirement of Supervision, which reads:

A. A broker shall exercise reasonable and adequate supervision over the activities of the broker's associate brokers and sales persons.

As the moving party on the charges, the REC must prove by a preponderance of the evidence that the Respondent violated the statutory and regulatory sections at issue.

*See, e.g., Md. Code Ann., State Gov't., § 10-217 (2004); Commissioner of Labor and Industry v. Bethlehem Steel Corp., 344 Md. 17 (1996).* For the reasons discussed below, I find that the REC has met its burdens and that the Respondent violated all of the statutory and regulatory provisions with which she was charged.

The evidence regarding the regulatory violations was not refuted by any direct evidence at the hearing. The Respondent did not appear and no evidence was offered in her behalf. The Respondent did not even attempt to dispute the charges during her interview with Mr. Oliver, wherein she admitted to failing to communicate with the Claimant and his agent Ms. Wallace. She further admitted that she did not supervise her salesperson, Mr. Plummer, and did not ensure that the earnest money deposit was released to the Claimant.

The testimony of the Claimant and Joyce Wallace was very consistent and credible. Both testified that the Respondent not only did not communicate that the buyer had failed to secure financing but also that the Respondent failed to communicate that the earnest money check had bounced and failed to release the earnest money to the Claimant. Furthermore, in her statements to Mr. Oliver, the Respondent acknowledged that she did not communicate with Ms. Wallace about the denial of financing or the return of the earnest money deposit but rather that she told her salesperson to “take care of it” and did not follow through with him. (REC Exhibit #9).

For the reasons explained above, I conclude that the Respondent misrepresented to the Claimant and his agent that the transaction was proceeding as planned by not informing them to the contrary. Such behavior evidences bad faith and untrustworthiness as well as dishonesty and fraud in violation of the law. Md. Code Ann., Bus. Occ. & Prof. § 17-322(b)(25) (2004). Furthermore, this same conduct also violated COMAR 09.11.02.01 by violating the duty to protect the public against fraud, misrepresentation or unethical practices in the real estate profession. Because of her failure to follow through and adequately supervise the actions of her salesperson, Mr. Plummer, the Respondent is also in violation of COMAR 09.11.05.02 for failure of a broker to adequately supervise the conduct of salespersons.

### **III. Penalties**

Section 17-322(c)(1) of the Business Occupations and Professions Article provides that a licensee may be reprimanded or have his/her Real Estate license suspended or revoked for violating the Maryland Real Estate law. The section also provides that instead of *or in addition to* reprimanding a licensee or suspending or revoking a real estate license, the REC may impose a civil penalty not to exceed \$5,000.00 for each violation. Section 17-322(c)(2) of the Business

Occupations and Professions Article lists the factors that must be considered before imposing a civil penalty:

- (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.

Md. Code Ann., Bus. & Prof. § 17-322(c)(2) (Supp. 2008).

The Respondent's violations are serious. In order to insure that the Claimant did not withdraw from the sale even though the contract was made null and void by the returned deposit, the Respondent misrepresented to the Claimant and his agent, through her silence, that the transaction was proceeding as planned. She had a duty to adequately supervise her salesperson and inform the Claimant and his agent of these things in the event that her salesperson did not. When her salesperson represented that the transaction was satisfactory through his silence, the Respondent did so as well by not stepping in and correcting the situation. Her actions demonstrate bad faith and undermine the integrity and dignity of the real estate profession.

The Claimant was harmed by the Respondent's actions because he did not receive the benefit of the contract for sale that he had executed with the buyer. The Claimant was additionally harmed when he was not advised that there was no earnest money even though his agent had submitted the release forms to the Respondent as requested. I conclude that the Respondent's actions were deliberate and calculated in the hopes of being able to obtain financing for the buyer at the last minute so that the sale would still go through with her salesman's client rather than another buyer represented by another agent. The Respondent

showed bad faith by refusing to accept responsibility for her conduct saying that she *assumed* the Claimant and his agent would know about the bad check and that the buyer would be able to make good on the deposit and obtain financing.

At the hearing, the REC recommended that the Respondent have her license revoked in the State of Maryland and that she pay a fine for each violation, totaling \$10,000.00. Based on the seriousness of the violation and the Respondent's continued lack of good faith, I have decided to augment the REC's recommendations. Consequently, I recommend the maximum civil penalty of \$5,000.00 for each violation for the three violations, totaling \$15,000.00. Additionally, based upon the Respondent's blatant violation of her duties as a broker by simply ignoring the problems created by Plummer, her salesperson, I will still order that her license be revoked, as requested by the REC.

#### **IV. Guaranty Fund Claim**

The Claimant has the burden of proving that he is entitled to reimbursement from the Fund. The Claimant claims to have a loss of \$1,000.00, which is the amount of the earnest money deposit from the buyer that was not released to him. Also, the Claimant claims a loss of \$2,694.90 based upon the acts or omissions of the Respondent, comprised of the costs and expenses of maintaining the house until a new buyer could be found. The question now is to determine whether his claim against the Fund should be accepted.

Section 17-404 of the Business Occupations and Professions Article sets forth the criteria for recovery against the Fund:

#### **§ 17-404. Claims against the Guaranty Fund.**

(a) *In general.*-

(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;
    - 2. a licensed associate real estate broker;
    - 3. a licensed real estate salesperson; or
    - 4. an unlicensed employee of 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:
    - 1. in which money or property is obtained from a person by theft, embezzlement, false pretenses, or forgery; or
    - 2. that constitutes fraud or misrepresentation.

Md. Code Ann., Bus. Occ. & Prof. § 17-404 (2004).

COMAR 09.11.03.04 regulates claims against the Guaranty Fund and provides, in pertinent part:

.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 licensed 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.

In this case, there is no dispute that the claim is the result of “an act or omission that occurs in the provision of real estate brokerage services by a licensed associate real estate broker” which “involve a transaction that relates to real estate that is located in the State.” There is also no dispute as to the characterization of the act or omission as fraudulent or a

misrepresentation sanctionable by law. Md. Code Ann., Bus. Occ. & Prof. § 17-404(a)(2)(iii) (2004). The issue here, then, becomes one of determining if the Claimant suffered an actual loss compensable by the Fund.

I do not find that the Claimant suffered an actual loss as a result of the Respondent's actions. Even though the Claimant paid out \$2,694.90 to maintain the property until another buyer could be found, those expenses were not because of the Respondent's improper conduct or violations of the law. The sale failed because the buyer was unable to obtain financing by the established deadline, not because the Respondent withheld information about the earnest money deposit or buyer's failure to obtain financing. Even if the Respondent had been honest, trustworthy and compliant with the law, Claimant would have had to seek another buyer for the Property when the buyer's financing failed. As a result, I conclude that the expenses for maintaining the house on the market for an additional period of time do not constitute actual loss compensable from the Fund because of the Respondent's actions or inactions. Additionally, I cannot find that the Claimant suffered an actual loss in the Respondent's failure to release to him \$1,000.00 in earnest money deposit for two reasons. First, the check bounced and there was no money to release, albeit the Claimant did not know that there was no money. Second, since the sale failed because of the buyer's inability to obtain financing, the Claimant was not entitled to the earnest money deposit, even if there had been a valid deposit. Thus, while the Claimant has suffered some expenses and losses, they are not reimbursable by the Fund.

#### **CONCLUSIONS OF LAW**

Upon the foregoing Findings of Fact and Discussion, I conclude as a matter of law that:

The Respondent violated section 17-322(b)(25), (32), and (33) of the Business Occupations and Professions Article by engaging in conduct that demonstrates bad faith and

untrustworthiness, and that constitutes dishonest, fraudulent and improper dealings;

The Respondent violated section 17-532(c)(1)(iv), (v), and (vi) of the Business Occupations and Professions Article by failing to treat all parties honestly and fairly, failing to answer questions truthfully, failing to account for trust money in a timely manner, and failing to exercise reasonable care and diligence;

The Respondent violated COMAR 09.11.02.02C by ignoring her statutory and regulatory obligations towards the non-client parties to the transaction;

The Respondent violated COMAR 09.11.05.02A by failing to reasonably and adequately supervise the activities of her salesperson, Derrick L. Plummer.

I further conclude as a matter of law that the Claimant suffered no actual loss as a result of the Respondent's fraud, misrepresentation and deceit or other actions under section 17-404 of the Business Occupations and Professions Article and COMAR 09.11.03.04.

### **RECOMMENDED ORDER**

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

**ORDER** that the Respondent be assessed a civil penalty of \$5,000.00 for each violation, for a total of \$15,000.00 in civil penalties;

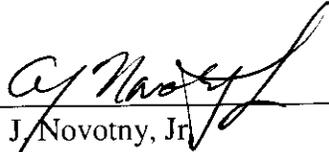
**ORDER** that the Respondent's license as a real estate broker be revoked;

**ORDER** that the Claimant's Guaranty Fund claim be denied, and lastly,

**ORDER** that the records and publications of the Maryland Real Estate Commission reflect this decision.

November 17, 2008  
Date Decision Mailed

Doc #100476

  
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A. J. Novotny, Jr.  
Administrative Law Judge