

BEFORE THE MISSISSIPPI REAL ESTATE COMMISSION

IN RE: NON-RESIDENT SALESPERSON LICENSURE APPLICATION OF
LOUIS HOLBROOK

ORDER

THIS CAUSE came before the Mississippi Real Estate Commission, sometimes hereinafter “Commission,” pursuant to authority of §§73-35-1, *et seq.*, Miss. Code Ann. (1972), as amended. The Commission conducted a hearing on the formal request of Louis Holbrook, sometimes hereinafter “Applicant” or “Holbrook” for the Commission to consider his application for Non-Resident Salesperson license in Mississippi. The Hearing was conducted at the Commission offices at Jackson, Hinds County, Mississippi, on March 9, 2021, beginning at approximately 10:15 a.m. Applicant Louis Holbrook was present and represented by counsel. The Commission recognized its quorum and opened the hearing. The hearing was conducted with witnesses being sworn, documentary evidence being admitted as exhibits, the right to cross examination of witnesses and the verbatim transcript of the hearing being taken by an official court reporter. The Commission issues its Order based upon facts introduced into evidence at the Commission hearing that were clear and convincing.

I.

Applicant Louis Holbrook submitted application for Non-Resident or Reciprocal Salesperson’s License to the Commission on or about October 14, 2020, sometimes hereinafter “application.” Mr. Holbrook is a resident of Memphis, Shelby County,

Tennessee. Upon receipt of the application, the administrative staff of the Commission processed the application. Subsequently, and prior to issuance of a license, the Commission informed Holbrook he was required to submit information and affidavit of his proposed sponsoring/employing broker which information/affidavit had not been received by the Commission. Holbrook supplied the information and affidavit on or about December 23, 2020 which reflected his proposed employing broker as Ronnie Richardson with National Land Realty in Richland, Rankin County, Mississippi.

II.

Subsequently, Holbrook was informed by Commission administrative staff that the license would not be issued as requested based upon the geographic distance between Holbrook's Memphis, Tennessee domicile and the location of his proposed broker in Richland, Mississippi, more than a 200 mile distance. Holbrook was informed the Commission by custom and practice restricted the issuance of salesperson licenses when the salesperson would be located more than 50 miles or an approximate one-hour drive from their employing/responsible broker. Aggrieved of the decision of the Commission administrative staff, Holbrook elected to bring the matter of consideration of his application to hearing before the full Commission.

III.

Robert Praytor, Administrator of the Mississippi Real Estate Commission, testified at the hearing. Mr. Praytor testified that he and the Commission administrative staff had declined to issue Holbrook a license as requested based upon the concern regarding Mr. Richardson's ability to adequately supervise Holbrook when they would be located

significantly farther apart than 50 miles or a one-hour drive away, in Memphis, Tennessee and Richland, Mississippi, respectively.

IV.

Mr. Praytor testified that Commission Rule 3.1 describes the duty of a responsible broker to exercise supervision of the activities of licensees under that broker. Mr. Praytor testified that the statutes and regulations governing Mississippi real estate practice and licensure specifically provide for branch office locations where real estate brokers can establish and license branch offices located away from their primary brokerage offices. Copies of a Branch Office License Application and Instructions for Completing the Branch Office License Application were introduced into evidence at the hearing. The Instructions for Completing the Branch Office License Application reflect the Commission interpretation, custom and practice regarding geographic distances between responsible brokers and licensees. The managing broker of a branch office and the responsible broker can only be the same person if the new branch office is located “within a 50 mile/ 1 hour drive radius” of the current main company location. Otherwise, the responsible broker must have an associate broker licensed at the new branch office to act as managing broker for that location and in order that licensees be properly supervised.

V.

Proposed responsible broker for Mr. Holbrook, Ronnie Richardson, testified at the hearing. Mr. Richardson was aware the Commission restricted licensure approval based upon geographic distances between licensees and their responsible broker. Mr. Richardson testified this was the reason his company had established one or more branch offices in

Mississippi. Mr. Richardson testified that technology applications such as “Zoom” video conferencing would allow him to supervise Mr. Holbrook who would be practicing primarily in the North Mississippi/Delta area of the state.

VI.

Louis Holbrook testified in support of his application before the Commission. Holbrook testified he would have no problem traveling from Memphis to Richland when necessary. Holbrook also testified he would be willing to be licensed out of a National Land Realty branch office in Oxford, Mississippi based upon the closer proximity of Oxford to Memphis. Mr. Richardson testified that the application as submitted intended for Mr. Richardson to be Holbrook’s managing broker and that would not be the case if he were licensed in another branch instead of Richardson’s main office in Richland. Mr. Richardson explained that he was also Mr. Holbrook’s managing broker for Holbrook’s Tennessee license with National Land Realty. Mr. Holbrook has held a real estate salesperson’s license, in Tennessee, for approximately 8 months. No evidence was introduced at the hearing regarding the status of any branch office in Oxford. The licensure application before the Commission for consideration at the hearing was the application as submitted by Mr. Holbrook requesting licensure under Mr. Richardson out of Richardson’s main office in Richland, Mississippi.

VII.

Among the requirements under Mississippi law for licensure as a real estate salesperson, applicants must present proof satisfactory to the Commission of their competency to transact the business of a real estate salesperson. Rule 3.1 of the

Commission's rules and regulations expresses, in relevant part, the intent of the Commission that all real estate activities of salespersons must be supervised by the designated responsible broker which broker is at all times personally responsible for the actions of the salesperson. By statute and rule, the licenses of responsible brokers and the salespersons licensed under the broker must be displayed in the office from which they practice. Likewise, the Commission is authorized to and does provide for the establishment and licensure of branch offices for locations away from the designated main office of the broker. The Commission has in practice required that a branch office located more than a 50 mile or one-hour drive distance from the main office of a responsible broker have another broker designated as a managing broker for the branch office in order the Commission be satisfied of the proper supervision of salespersons licensed at such branch, all in accordance with the Commission's statutory charge to safeguard the interests of the public.

VIII.

Likewise, the Commission has interpreted the Commission rules requiring instruction, supervision and absolute responsibility of a principal/responsible broker for the licensable activities of real estate salespersons licensed under the broker to preclude the licensure of a salesperson domiciled at a distance from his/her broker greater than that the Commission has interpreted as reasonable for the operation and supervision of a branch office. In this case, and upon the licensure application of Louis Holbrook as submitted, the Commission finds that the physical distance between Mr. Holbrook and his responsible broker, more than 200 miles and a three-hour drive as proposed, would far exceed that

distance the Commission has interpreted to be reasonable and satisfactory for the proper supervision of real estate salespersons.

IX.

For the reasons set forth herein, the Commission finds the subject Application for a Non-Resident or Reciprocal Salesperson's License, as submitted by Louis Holbrook on or about October 14, 2020 should be and hereby is DENIED.

THIS the 12 day of March, 2021.

MISSISSIPPI REAL ESTATE COMMISSION



By: 
KEN AUSTIN, Chairperson,
For and on behalf of the Commission