

BEFORE THE MISSISSIPPI REAL ESTATE COMMISSION

MISSISSIPPI REAL ESTATE COMMISSION

COMPLAINANT

VS.

NO. 31-1805

SHARON WILLIS GRACE, BROKER

RESPONDENT

AGREED ORDER

This cause came before the Mississippi Real Estate Commission, sometimes hereinafter "Commission," pursuant to the authority of Miss. Code Ann. §§73-35-1, *et seq.*, as amended, on a complaint against Sharon Willis Grace, Broker and the Commission was advised that there has been an agreement reached among the parties resolving the issues brought forward in this complaint. By entering into this Agreed Order, the Respondent waives her rights to a full hearing and to any appeal. The Commission, then, does hereby find and order the following:

I.

Respondent, Sharon Willis Grace sometimes hereinafter called "Respondent Grace", is an adult resident citizen of Mississippi whose last known address of record with the Commission is 148 Lakeway Dr., Oxford, MS 38655. Respondent Grace is the holder of a real estate broker's license issued by the Commission pursuant to Miss. Code Ann. §§73-35-1, *et seq.*, as amended and, as such, she is subject to all provisions, rules, regulations and statutes governing the sale and transfer of real estate and licensing of real estate brokers under Mississippi law.

II.

A formal written complaint submitted by Broker Pamela Roberson alleges that Broker Sharon Grace, as the seller's agent, failed to use reasonable skill, care and diligence in a real estate transaction, and failed to treat the prospective purchaser (represented by Roberson) honestly and fairly by not properly managing repairs to a residential dwelling and further acted in bad faith, improper dealing, incompetency or untrustworthiness. Thereafter, the Commission opened its full investigation of the matter.

III.

Broker Pamela Roberson stated that her client/buyer submitted an offer to purchase a property located at 210 Eura Cove in Oxford, listed by Broker Sharon Grace. The buyer initially viewed the property prior to making an offer, and the house was in excellent condition. After the home inspection was done, the buyer wanted to view the property again. An appointment was made and an addendum for inspection was sent to the listing agent, Respondent Grace. When Broker Roberson and her buyer went back to the property, the tenant was there. The tenant said when he came home the previous day, a contractor had been there, and several sheetrock patches were on the walls. On this day that Broker Roberson and her client arrived, the tenant said the walls had been painted the wrong color. Respondent Grace was contacted and replied that she would get the contractor to come back out and correct the issue. On 4/12/18, Broker Roberson sent a text to Respondent Grace saying that the home inspector would be back for a re-inspection on 4/23/18. The closing was set for 4/24/18.

IV.

On the evening of 4/23/18, Respondent Grace informed Roberson that the power was off, and that Roberson needed to get the buyer to have the power put into his name "first thing tomorrow (Monday, April 23rd)". Respondent Grace also advised that the power would not be on for the inspection. On

4/24/18, the home inspector inspected the property without power or water being on. His report included several items not completed. The property was under a lease agreement with Cissell Property Management and the utilities were turned off, jeopardizing the seller's insurance as a vacant property having no utilities on. Roberson said Cissell Property Management did not complete the final repairs from the tenant's deposit, leaving the damaged property for the seller to pay for and thus caused conflicts with the closing. Roberson said Respondent Grace failed to request that the utilities be on to complete the re-inspection, as contractually required. Roberson also alleged the contractor hired by Respondent Grace damaged the property. Roberson states that Respondent Grace misrepresented the condition of the property and failed to take responsibility for the damaged walls. Roberson further states that no updated PCDS was done after the inspection, revealing items not currently on the PCDS after the contract. Respondent Grace should have noted that the PCDS was not properly completed by her client.

V.

Respondent Grace stated to the Commission that the seller had owned the property, located 219 Eura Cove in Oxford, since 2013. When the seller moved from Oxford in 2013, she hired Cissell Management to manage the property. However, the seller contacted Respondent Grace in the early spring of each following year asking her to market the property for sale but on the condition that if the property did not sell before June of each year, then she would want it to be withdrawn from MLS. The seller basically wanted to be secure with either the leasing or the sale of her property. Respondent Grace said that anything deemed as damages should be dealt with through the leasing agent, and that any repairs or changes should be shared by the tenants with the leasing agent. There was some touch-up painting to be done in two locations of the property. Respondent Grace went to the property on 4/22/18 and found it vacated. The tenants had apparently moved out over that previous weekend and

had all utilities turned off. Respondent Grace stated that she and the seller understood that they were contractually obligated to have the utilities turned on and working for the re-inspection of the home, but there was a failure of communication to coordinate the dates of when the tenant was slated to turn off utilities and the seller to have them restored. Respondent Grace said she immediately texted Ms. Roberson (on 4/22/18, not 4/23/18 as alleged, by Roberson in her complaint) to alert Roberson that the power was off and that her buyer/client would need to have utilities turned on in his name on Monday morning, April 23rd for the inspection. Respondent Grace assumed Roberson would alert the home inspector to postpone coming out until the power had been restored.

VI.

Respondent Grace said Roberson never confirmed that the home inspector had been contacted to do the re-inspection prior to the closing. Respondent Grace texted the inspector, Butch Cobb, on 5/26/18 and learned that he did not know the utilities were off until he arrived to do the re-inspection. Cobb emailed a copy of his report, citing corrected and uncorrected items that the seller had agreed to pay for and secure. Respondent Grace admitted that her mistake was allowing the re-inspection to be scheduled a day before the proposed closing of 4/24/18 and instead insisting that it be done in early April while the tenants were still in the home. However, the contract allowed for the inspections as they were done, but with utilities on. Respondent Grace admitted that she was responsible for not noting the cleaning of the HVAC coils and window with the broken seal not being listed but, in good faith, she made sure the window was ordered and paid for by 4/24/18, as well as all other uncorrected repairs. Respondent Grace said all 5 uncorrected (out of 25 corrected) repairs were corrected by the closing on 4/27/18. Respondent Grace admitted that she was obligated to have the utilities on and working for the home inspection and re-inspection, but there was a failure of communication to coordinate the dates of when the tenant was slated to turn off utilities and for the seller to have them restored in her name. On 4/22/18, Respondent Grace texted Roberson, asking that *her* client restore

the utilities in *his* name on 4/23/18 because they were contemplating a closing at 3:00 p.m. on 4/24/18. On 4/23/18, Respondent Grace offered to have the utilities turned on in *her* name so that the re-inspection could still be completed that day. Roberson texted back and said that the buyer was trying to change the utilities from 4/24/18 to 4/23/18. Respondent Grace said that indicated to her that the buyer was making all efforts and responsibility of having the utilities on and take possession of the property. Respondent Grace did not pursue the matter any further.

VII.

Under the Pre-Closing Repair/improvement Addendum, the seller was to pay \$700 toward the painter's quote of \$1,500 to repaint the interior of the property. Neither the Seller or listing agent wanted the liability of securing estimates or hiring a painter to complete the job. The seller believed that if she did hire someone to do the wall repair and painting, it would never be to the satisfaction of the buyer or his agent (Roberson), and it would only end up costing her more money.

VIII.

Broker Josh Cissell of Cissell Management, LLC submitted a statement that he managed the property in question. The tenants' lease ended on 4/30/18 and the seller wanted to close on the sale as soon as possible. Cissell stated that the buyer's agent (Roberson) was putting pressure on the seller to get the tenant to vacate prior to 4/30/18, and the tenant agreed to vacate the property by 4/22/18. Cissell stated that the buyer and Roberson had already done a walk thru of the house prior to the tenant moving out, and that a home inspection had been done. Cissell further stated that, to his knowledge, everything was satisfactory, except for a few minor things to be completed. However, he had no part in that process. Cissell said the tenant moved out on 4/20/18 and had the power turned off at that time, rather than waiting until the 22nd. Cissell was not aware of the early turn-off at that time. Cissell said that Respondent Grace notified him and Pam Roberson that Sunday night that the

power was disconnected. After the tenant moved out, Roberson did a walk-thru of the property and complained to Respondent Grace about the paint. Cissell said there was no discussion of the paint issue prior to this time and it was not in the contract for anything to be painted. The buyer and Roberson were aware that the tenant had lived in the house for 4 years and they could see the condition of the walls when the contract was executed. He stated that the nail holes in the walls were of appropriate size for items hung on the wall, and that any wall scuffs were typical wear and tear.

IX.

The above and foregoing described acts and omissions of the Respondent constitutes violations of the Mississippi Real Estate Brokers License Act of 1954, as amended, §73-35-1, et seq., Miss. Code Ann., and the Rules and Regulations of the Commission, and, more specifically, M.C.A. §73-35-21(1)(a) and (n), and Commission Rules 3.1 F and 4.2 G (5) which provide, in relevant parts:

§73-35-21(1)(a) Making any substantial misrepresentation in connection with a real estate transaction;

§73-35-21(1)(n) Any act or conduct, whether of the same or a different character than hereinabove specified, which constitutes or demonstrates incompetency... or improper dealing...

Rule 3.1 General Rules

F. Any licensee who fails in a timely manner to respond to official Mississippi Real Estate Commission written communication **or** *who fails or neglects to abide by Mississippi Real Estate Commission's Rules and Regulations shall be deemed, prima facie, to be guilty of improper dealing.*

Rule 4.2 (G) (5) Reasonable skill, care and diligence - the agent must perform all duties with the care and diligence which may be reasonably expected of someone undertaking such duties.

DISCIPLINARY ORDER

THEREFORE, by agreement, understanding and consent, the Commission ORDERS discipline as follows:

As to Sharon Willis Grace, Broker, the Commission orders that her license incur a three (3) month suspension, held in abeyance, followed by three (3) months of probation, with both contingent upon both future compliance with all Mississippi Real Estate Statutes and Commission Rules and upon her completing eight (8) hours of Mandatory Continuing Education (4 hours of Agency, 2 hours of Contract law and 2 hours of License Law) during the three months (3) of suspension in abeyance which begins December 15, 2020. Said education can be completed through Distance Education, in light of Co-Vid 19 restrictions. Further, these classes will be courses approved by this Commission, be in addition to the regular hours of continuing education already required of licensees for license renewal and will not be the same classes from the same provider as those used by this Respondent in the last renewal period. Evidence of completion of these classes is to be provided to this Commission.

SO ORDERED this the 8th day of DECEMBER, 2020.



MISSISSIPPI REAL ESTATE COMMISSION

BY: Robert E. Praytor
ROBERT E. PRAYTOR, Administrator

Agreed: Sharon Willis Grace, Broker
Sharon Willis Grace, Broker

DATE: 11/17/2020