

BEFORE THE MISSISSIPPI REAL ESTATE COMMISSION

MISSISSIPPI REAL ESTATE COMMISSION

COMPLAINANT

VS.

NO. 082-1911

DWANNA STANLEY, PRINCIPAL BROKER

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 Dwanna Stanley, Broker, and the Commission was advised that there has been an agreement reached resolving the issues brought forward in this complaint. By entering into this Agreed Order, this Respondent waives her right to a full hearing and her right to appeal to a circuit court. The Commission, then, does hereby FIND and ORDER the following:

I.

Respondent Dwanna Stanley, sometimes hereinafter "Respondent" or "Stanley," is an adult resident citizen of MS, whose last known address of record with the Commission is 60203 Queen Mary Court, Brandon, MS 39042. Respondent Stanley 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 of the provisions, rules, regulations and statutes governing the sale and transfer of real estate and licensing of real estate brokers under Mississippi law.

II.

The Commission received a formal, written complaint from Eddie & Wendy Scott alleging that Principal Broker Dwanna Stanley of The Agency Real Estate Services, LLC, failed to collect the buyer's earnest money deposit regarding a purchase/sale contract for a home located at 30 Wimbledon Drive in Jackson, MS. It is further alleged that Respondent Stanley's actions violate §73-35-21 (f) and (n) of the Real Estate Brokers License Law and MREC Administrative Rule 3.4.

III.

The Scotts (sellers) were represented by Broker Carla Palmer of CPA Realty. Per the contract, the buyer, Ms. Robbye Montgomery, was to submit \$2,500 as earnest money. The Scotts state that Montgomery breached the contract, so they demanded that Respondent Dwanna Stanley relinquish the earnest money to them, due to the buyer's breach.

VI.

The Scotts stated that their agent, Broker Carla Palmer, contacted Respondent Dwanna Stanley requesting that the earnest money be submitted to them because the terms of the contract required that earnest money funds were to be verified prior to contract acceptance. This transaction did not close because earnest money funds were not wired to the closing attorney for closing on 8/30/19.

V.

Respondent Dwanna Stanley's response states that she and her client/buyer (Ms. Robbye Montgomery) are the victims of a scammer going by the name of Jay Nettles, representing himself as a liaison of Private Money Lending. Respondent Stanley said that she was contacted by Nettles on 8/13/19 via phone, informing her that he was representing Ms. Robbye Montgomery in a cash-out refinance deal regarding the purchase of a property in Jackson, MS. Nettles allegedly further told Respondent Stanley that he had been referred to Stanley by an agent in Atlanta and asked her to represent his clients. Nettles told Respondent Stanley that the buyer's son had located the property at 30 Wimbledon Drive in Jackson, MS.

VI.

Respondent Stanley said that she initially did not believe Nettles' story because Robbye Montgomery and her son are tv reality stars and they were recently on the local news in Jackson regarding a local restaurant that they were opening soon in Jackson, MS. Respondent Stanley said she thought that Nettles may have seen the local news and was attempting to run a scam on them. However, Respondent Stanley had a conference call with Nettles and her client, Montgomery, and a meeting was set up. The following day, Respondent Stanley met with Ms. Montgomery at her hotel, before going to view the property. Respondent Stanley said this put her mind at ease.

VII.

On 8/14/19, Ms. Montgomery decided to make an offer on the property, so Respondent Stanley contacted Nettles to see how this "Cash-out Refi" would work. He supposedly advised her that Nettle's company would purchase the property in an LLC for Ms. Montgomery and then refinance the property in her name, and this would take 7-10 days. Respondent Stanley said that she informed Nettles that she would need to see proof of funds in order to proceed. Nettles allegedly responded that he would get proof to her promptly.

VIII.

On 8/17/19, Ms. Stanley, Mr. Nettles, and Ms. Montgomery met at the Holiday Inn on I-55 North in Jackson, MS to discuss the terms of the counteroffer. It was also pre-arranged that Ms. Montgomery would give Mr. Nettles \$2,000 for "private money services", which she did, in cash.

IX.

Later that evening, Stanley contacted Ms. Montgomery to let her know that the sellers had accepted the offer and that she needed to submit \$2,500 as earnest money. Ms. Montgomery informed Stanley that she was enroute to St. Louis and she would mail a check to her. Ms. Montgomery also told Stanley that after their meeting with Mr. Nettles, she felt like he was a scam artist. Nettles finally sent the invoice for the \$2,000 he had collected from Montgomery on the 17th.

X.

Respondent Stanley asked Ms. Montgomery if she wanted to terminate the contract, but she said she would wait it out. However, closer to closing date, Nettles still had not reached out to the closing attorney and had not sent Ms. Montgomery her terms sheet, nor had an appraisal been ordered as he stated he would do.

XI.

On 8/27/19, Ms. Montgomery's son contacted the seller, Mr. Scott. Not realizing who the son was, Scott told him that he already had a contract on his house and that he also had another interested buyer, so that if this first deal couldn't close, then they would not agree to an extension. Stanley, upon learning of this from her client's son, relayed this information to Mr. Nettles, informing him that they needed to meet the closing date, or the buyers would lose the deal. Stanley said that Nettles corresponded with her, saying that he needed another week. At this point, Respondent Stanley came to realize that her buyer had probably been scammed for \$2,000. Respondent Stanley later received an email from the seller's agent, Carla Palmer, seeking the earnest money. Stanley called Ms. Palmer and told her that her buyer had been scammed for \$2,000 and that she (Stanley) had forgotten to remind her buyer to send the earnest money. Respondent Stanley doesn't deny that the sale failed due to the buyer's breach of contract. Instead, Stanley addresses an alleged scam perpetrated against her client by a company that was not a party to the transaction. In her response, Stanley stated she reached out to her client several times to inform her that the seller was demanding the earnest money that she (Stanley) had not received.

XII.

The above and foregoing described acts and omissions of the Respondents constitute violations of the Miss. 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, §73-35-21(1)(f) and (n) and Comm. Rule 3.4 Earnest Monies, which provide, in relevant parts:

§73-35-21. Grounds for refusing to issue or suspending or revoking license; hearing

(l) The commission may, upon its own motion and shall upon the verified complaint in writing of any person, hold a hearing for the refusal of license or for the suspension or revocation of a license previously issued, or for such other action as the commission deems appropriate. The commission shall have full power to refuse a license for cause or to revoke or suspend a license where it has been obtained by false or fraudulent representation, or where the licensee in performing or attempting to perform any of the acts mentioned herein, is deemed to be guilty of:

(f) Failing, within a reasonable time, to account for or to remit any monies coming into his possession which belong to others or commingling of monies belonging to others with his own funds. Every responsible broker procuring the execution of an earnest money contract or option or other contract who shall take or receive any cash or checks shall deposit, within a reasonable period of time, the sum or sums so received in a trust or escrow account in a bank or trust company pending the consummation or termination of the transaction. "Reasonable time" in this context means by the close of business of the next banking day;

(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 3.4 Earnest Money

A. The responsible broker is responsible at all times for earnest money deposits. Earnest money accepted by the broker or any licensee for which the broker is responsible and upon acceptance of a mutually agreeable contract is required to deposit the money into a trust account prior to the close of business of the next banking day. The responsible broker is required to promptly account for and remit the full amount of the deposit or earnest money at the consummation or termination of transaction. A licensee is required to pay over to the responsible broker all deposits and earnest money immediately upon receipt thereof. Earnest money must be returned promptly when the purchaser is rightfully entitled to same allowing reasonable time for clearance of the earnest money check. In the event of uncertainty as to the proper disposition of earnest money, the broker may turn earnest money over to a court of law for disposition. Failure to comply with this regulation shall constitute grounds for revocation or suspension of license.

DISCIPLINARY ORDER

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

As to Dwanna Stanley, Broker, the Commission orders that her license incur a one (1) month full suspension, beginning March 15, 2020, followed by five (5) months of probation; contingent upon both future compliance with all Mississippi Real Estate Statutes and Commission Rules and also contingent 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) by the end of April, 2020. Said education cannot be completed online and will not be the same classes from the same provider as those used by this Respondent in the last renewal period. Further, these classes will be courses approved by this Commission and be in addition to the regular hours of continuing education already required of licensees for license renewal. Evidence of completion of these classes is to be provided to this Commission.

SO FOUND AND ORDERED this the 15th day of APRIL, 2020.



MISSISSIPPI REAL ESTATE COMMISSION

BY: _____

Robert E. Praytor
ROBERT E. PRAYTOR, Administrator

AGREED: _____

Dwanna Stanley
Dwanna Stanley, Broker

DATE: _____

3/16/2020