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**KENTUCKY REAL ESTATE COMMISSION
Complaint Review Committee**

MEETING MINUTES

August 18, 2021

9:00 a.m.

*** This meeting occurred via Zoom Teleconferencing, pursuant to KRS 61.826***

Committee Members Present

Commissioner Anthony Sickles
Commissioner Larry Disney

KREA Staff

John Hardesty, General Counsel
Brian Travis, Investigator
Angie Reynolds, Board Administrator

Call to Order and Guest Welcome

A meeting of the Complaint Committee was called to order by Commissioner Disney at 9:01 a.m. on August 18, 2021.

Committee Meeting Minutes

July 14, 2021 Meeting Minutes will be presented at the next CRC Meeting for approval.

Executive Session Case Deliberations

Commissioner Sickles made a motion for the Complaint Committee to enter executive session, pursuant to KRS 61.815(1) and 61.810(1)(c) and (1)(j) at 9:03 a.m. to discuss proposed or pending litigation and deliberate on individual adjudications in:

- 20-C-024
- 20-C-025
- 20-C-027
- 20-C-033
- 20-C-035
- N.C. Unlicensed Brokerage

Commissioner Disney seconded the motion and the meeting was ordered into executive session discussion.

Reconvene in Open Session

At 9:58 a.m. Commissioner Disney motioned for the Complaint Committee to come out of executive session. Commissioner Sickles seconded the motion.

Committee Recommendations

Commissioner Sickle made a motion for the Complaint Committee to recommend disposition of the following cases to the full Commission in the following manner. Commissioner Disney seconded the motion. Having all in favor, the motion carried.

Final Adjudications

1. **20-C-024** – The Complainant alleged that Respondent’s family’s company sued Respondent for unauthorized use of their company name and copyright violations and was granted summary judgment and injunctive relief on August 8, 2020 to stop Respondent (also a family member) from using their last name in his company’s name and to discontinue advertising under such name. The Complainant claims the Respondent attempted to reargue this issue and was denied. The Court found the Respondent to be in contempt for failing to desist from using the name. The Complainant claims Respondent was ordered to remove all signs placed by him or anyone on his behalf. She claims he is defying the court order by continuing to use the name by advertising in the KCREA and on his signage using the name.

The evidence suggests that the Respondent’s counsel failed to timely respond to a motion for summary judgment filed by his family’s company, which caused the court to grant the motion and enter an injunction against Respondent requiring him to cease from using the name family name. Respondent claims he did not know this order had been entered, or anything else that was going on in the case, because his attorney did not communicate with him. He has filed a complaint against the attorney with the Kentucky Bar Association, and implies he may file a legal malpractice suit.

The evidence suggests that the Respondent is not currently using the name in advertising or as his business name. Further, because his company name actually included the family name, advertising under the name was not false or misleading. Violation of copyright laws, while possibly grounds for separate legal recourse, do not give rise to violations of KRS 324.160 in this context. **The Committee recommends dismissal of the complaint.**

2. **20-C-035** – The Complainant claimed he purchased a home in 2017 that was marketed as 2,715 square feet. He also claimed the home was marketed as having a clubhouse, fitness room, pool, and tennis courts, but that those actually belonged to a neighboring community. He claims when preparing a legal separation agreement, he came across conflicting information and ultimately determined the square footage of the home was 2,362 square feet. He claims when providing him with updated information at the time of the separation, the Respondent agent marked out the 2,715 every place it appeared and wrote in 2,362.

Because the complaint appeared to have been filed outside of the one year statute of limitations, Commission staff requested a sworn supplement from Complainant. In the supplement, he claims he had no reason to suspect a discrepancy between the stated and actual square footage until January 2020. The Committee determined the Respondent knew or should have known of all alleged violations more than one year prior to the date he filed the complaint. **The Committee recommends dismissal of the complaint because it was filed outside of the one year statute of limitations.**

Pending Actions

3. **20-C-025 - The Committee found evidence of violations and recommends a formal reprimand, a \$1000 fine, and 6 hours of CE in advertising in addition to existing CORE requirements.**
4. **20-C-027 – The Committee recommend to refer the case for further investigation.**
5. **20-C-033 – The Committee recommend to refer the case for further investigation.**
6. **N.C. Unlicensed Brokerage – N.C.’s license has been cancelled since April 2, 2021 for failure to maintain E&O Insurance. The Commission received evidence N.C. has actively been working during his cancellation. The Committee recommends to the Commission to investigate N.C. unlicensed brokerage activities.**

Meeting Adjournment

Commissioner Disney made a motion to adjourn the meeting of the Complaint Review Committee. Commissioner Sickles seconded the motion. There being no objection, the meeting was adjourned at 10:11 a.m.

Next Scheduled Meeting

The next regular meeting of the Kentucky Real Estate Commission’s Complaint Review Committee is to be determined.