

COMPLETE THE TERMS

In this case, an agent failed to protect the public by hiring an unlicensed contractor, signing over a check to the contractor, and promising work would be complete by the deadline when no work had been performed. Make sure to check the status of any contractors, follow all regulations, and keep clients updated.

THE SITUATION:

On May 17, 2014, Mr. Jamie Murphy received his Real Estate salesperson license. He is licensed with Best Realty LLC.

On March 22, 2019, the Board received a complaint from Alexandra Cummings, property owner, regarding Mr. Murphy.

THE INVESTIGATION:

In August 2018, Ms. Cummings asked Mr. Murphy to find a tenant for his property as well as to facilitate and oversee some updates and repairs to the property. On August 16, 2018, Ms. Cummings entered into an Exclusive Right to Lease Listing Agreement with Best Realty LLC and Mr. Murphy was listed as the listing agent.

Ms. Cummings told investigators that Mr. Murphy performed a walk-through of the property to determine what upgrades would attract a tenant, such as replacing the blinds, painting, and changing the carpet with hardwood floors. Ms. Cummings stated that she trusted Mr. Murphy would hire a good contractor, facilitate and oversee the updates, and find a tenant.

Mr. Murphy recommended a contractor to Ms. Cummings and suggested painting and upgrading light fixtures, but not replacing the flooring. In the email with these recommendations, Mr. Murphy stated that the contract could complete everything for \$8,000. He also relayed that the contractor would need 1/3 up front, 1/3 partway through, and 1/3 upon completion of the project.

On August 28, Ms. Cummings agreed, stating she had sent the check and “your word on the contractor is good for me.” During the investigation Ms. Cummings stated she did not know that Mr. Murphy had hired an unlicensed contractor to do the work until she filed the complaint with DPOR.

On August 31, Mr. Murphy received Ms. Cummings’s check for \$8,000 and immediately signed the entire check over to the contractor who deposited the money. Mr. Murphy emailed Ms. Cummings and said, in part “Yes, the check came today, and work can begin. An invoice will be provided with a list of work that was completed. The plan is to have the work completed by the end of September so we can list the property.”

On September 20, Mr. Murphy emailed Ms. Cummings stating that the work on the property should be done by the end of September; however, when Ms. Cummings stopped by the unit on September 27, it was clear that no work had been performed on the property.

During the investigation, Mr. Murphy stated, "I don't know what to say about the contractor's license. I know they had one because when working at the property management company they would not pay anyone unless there was a license on file."

THE RESULT:

The Board determined that Mr. Murphy failed to safeguard the interest of the public when he hired an unlicensed contractor on behalf of his client, signed over his client's entire check to the contractor but did not advise his client about this until a month later, and promising his client that the work would be complete and the property ready to list by the end of September when no work had been performed. The Board issued a fine of \$1,450 and required Mr. Murphy to complete three hours of Board-approved continuing education pertaining to ethics and standards of conduct.