



Failure to Disclose

In this case study, an agent is found to have furnished substantially inaccurate or incomplete information to the Real Estate Board in obtaining a license. It is imperative that brokers and agents provide complete and accurate information to the Real Estate Board when applying for, renewing, reinstating, or maintaining a license.

THE SITUATION:

On August 12, 2015, in the Circuit Court for the City of Alexandria, Tobias Jacobs ("Jacobs") was convicted of two counts of Robbery: Residence, a felony, and one count of Use of a Firearm in the commission of a Felony, a felony..

On February 9, 2022, the Real Estate Board ("Board") received a Salesperson License Application from Jacobs. On the initial application, Jacobs answered "No" to the following question: "Have you ever been convicted or found guilty, regardless of the manner of adjudication, in any jurisdiction of the United States of any felony? Any plea of nolo contendere shall be considered a conviction." Jacobs affirmed his statements and answered as true by signing the application.

On April 6, 2022 Jacobs was issued a real estate salesperson license.

THE INVESTIGATION:

Investigators learned that after he had passed the first half of his real estate licensing exam, a representative of the Omega Real Estate Group invited Jacobs to the firm for an interview. During the interview, Jacobs was encouraged to fill out paperwork, including the application.

Jacobs stated that when he got to the part asking about prior convictions "I was just very nervous, you know. I am in front of people, and they have no idea about my past, and my past is my past. So, I just kind of panicked. I just quickly put no and then moved on to the next section."

After he completed the application, Jacobs left it with Omega Real Estate Group.

During the Informal Fact Finding (“IFF”) meeting, Department staff Josie Li (“Li”) questioned Jacobs about his subsequent actions, as follows:

Ms. Li: Did you ever at any point think, hey, I should correct that, I should let somebody know, because that’s going to be part of what is reviewed with the application?

Mr. Jacobs: Yeah. I mean, I did think of it, but I wasn’t too sure about what would happen and what the consequences would be from there.

Jacobs furnished substantially inaccurate information to the Board in obtaining a license by not disclosing his felony convictions on his application. The Board requires disclosure of certain criminal convictions in order to protect the public by ensuring the applicant possesses the minimum character and business skills to engage in the profession. Disclosing this information does not necessarily bar an applicant from receiving a license, but the Board is obliged to carefully review this information and consider the public welfare before deciding to issue a license. When he failed to disclose the required information to the Board, Jacobs denied the Board the opportunity to evaluate his application in full light of the facts.

Jacobs said that he included false information on his application because he “panicked” due to the pressure of filling out the application in a room full of potential employers. Subsequently, he did not correct the information he had submitted due to his concern about possible consequences. In the practice of real estate, it is important for a licensee to act with honesty and integrity. There may be times when a licensee faces pressure from colleagues, clients, or the other agents involved in a potential transaction. He may need to disclose or correct a mistake in order to serve the interests of his clients and of the public. If Jacobs is willing to provide substantially inaccurate information to the Board, then the Board does not have any assurance that he would not do the same with members of the public, such as future clients or other licensees.

THE RESULT:

The Board found that Mr. Jacobs engaged in a prohibited act by furnishing substantially inaccurate information to the Board in obtaining a license.

The Board revoked his license.

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