



Omissions in Contract

The Situation:

Reece Beekman (“Beekman”) was issued a real estate salesperson license in May of 2022. Beekman is affiliated with Pack Line Realty, Inc. (“Pack Line”).

In June of 2022, Ron Sanchez (“Sanchez”), Loan Approval Officer for the US Department of Agriculture, issued a certificate of eligibility to potential buyer Blake Buchanan (“Buchanan”) in the amount of \$350,000. The certificate was set to expire on July 23, 2023. On July 15, 2022, Buchanan entered into an Exclusive Right to Represent Buyer with Pack Line, as the Selling Firm, and Jordan Minor (“Minor”) as the Buyer’s Agent.

On July 11, 2022, Buchanan and Isaac McNeely (“McNeely”) entered into a purchase agreement for Buchanan to buy McNeely’s house in Crozet, Virginia, for \$375,000. Pack Line was also the Listing Agency, and Beekman was the Seller’s Agent. The contract was ratified on July 13, and Paragraph 9 specified that closing would occur on or about February 28, 2023. Paragraph 31 of the contract provided that closing was to occur within 30 days of issuance of a Certificate of Occupancy, and that Seller would notify Buyer with 30-days’ advance notice of completion before requesting the certificate.

On July 16, 2022, Buchanan paid an EMD in the amount of \$2,000 to Pack Line in accordance with the contract. On February 14, 2023, an admin assistant for Pack Line emailed Beekman a reminder that the deed, termite, and well/septic inspections needed to be ordered. Beekman asked to push those for 60 days. Settlement did not occur on February 28, 2023.

In April 2023, Beekman stated that he reached out to Minor to inquire as to Buchanan’s financing status. Minor said that Buchanan had not completed it but would get it wrapped up as soon as possible. Beekman later told Minor that final inspections had been scheduled and they agreed to close on or about June 3, 2022. On June 2, 2022, Beekman drafted a Release of Contract and Termination stating that the EMD was to be returned to Buchanan. McNeely signed the release and termination, which specified that McNeely gave Buchanan the notice that the contract was being terminated pursuant to Paragraph 5B.

On June 13, at the request of Minor, Beekman required a Certificate of Occupancy. The county building official issued it on June 14. Also on June 14, Beekman emailed Minor, stating in part that “because you

advised that our client had not obtained the things necessary to proceed with closing, I sent a release. Per paragraph 5b of the contract, the contract terminated at 5 pm 3 days following that notice.”

The Investigation:

A complaint was filed, and Minor told the board’s investigator that Beekman had inserted the language in paragraph 31 regarding the certificate of occupancy. He said he didn’t believe that Buchanan had received the 30-day notice required by that language, and that no addendums to the contract were filed. Beekman admitted that he did not draft an addendum to the contract notifying either party of any change to the settlement date.

On June 6, 2023, Beekman’s license status went to inactive. Between June 7 and July 5, he was not affiliated with any firm because of a failure to complete education requirements. On June 15, he entered into another listing agreement with McNeely to sell his home to a different buyer.

The Result:

The Board determined that Beekman’s failure to provide written change of the settlement date in a timely fashion to all parties constituted improper delivery of instruments. In addition, the Board found that Beekman had practiced real estate without a valid license. For those violations he was fined \$600 and \$1,500, respectively, with \$500 waived upon completion of six hours of Post-License education relating to Agency Law and Ethics.

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