

BEFORE THE MARYLAND REAL ESTATE COMMISSION

MARYLAND REAL ESTATE
COMMISSION

*

v.

*

CASE NO. 2020-RE-159

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OAH NO. DOL-REC-24-22-14403

CHERI GAVIN,
Respondent

*

and

*

IN THE MATTER OF THE CLAIM
OF RYAN MARANTO &
TALULA ALASCIO,
Claimants,

*

*

*

AGAINST THE MARYLAND REAL
ESTATE COMMISSION
GUARANTY FUND

*

* * * * *

PROPOSED ORDER

The Proposed Findings of Fact, Proposed Conclusions of Law and Recommended Order of the Administrative Law Judge dated March 30, 2023, having been received, read and considered, it is, by the Maryland Real Estate Commission, this 22nd day of May, 2023, hereby

ORDERED:

A. That the Proposed Findings of Fact in the proposed decision be, and hereby are,

AFFIRMED.

B. That the Conclusions of Law in the proposed decision be, and hereby are,

APPROVED.

C. That the Recommended Order in the proposed decision be, and hereby is,

ADOPTED.

D. That the records, files, and documents of the Maryland Real Estate Commission

reflect this decision.

E. Pursuant to Code of Maryland Regulations (COMAR) 09.01.03.09 those parties adversely affected by this Proposed Order shall have twenty (20) days from the postmark date of the Order to file written exceptions to this Proposed Order. The exceptions should be sent to the Executive Director, Maryland Real Estate Commission, 3rd Floor, 1100 N. Eutaw Street, Baltimore, MD 21201. If no written exceptions are filed within the twenty (20) day period, then this Proposed Order becomes final.

F. Once this Proposed Order becomes final, the parties have an additional thirty (30) days in which to file an appeal to the Circuit Court for the Maryland County in which the Appellant resides or has his/her principal place of business, or in the Circuit Court for Baltimore City

MARYLAND REAL ESTATE COMMISSION

5-22-2023
Date

By: SIGNATURE ON FILE

MARYLAND REAL ESTATE
COMMISSION

v.

CHERI GAVIN,
RESPONDENT

AND

THE CLAIM OF RYAN MARANTO
AND TALULA ALASCIO,
CLAIMANTS,

AGAINST THE MARYLAND
REAL ESTATE COMMISSION
GUARANTY FUND

* BEFORE SUSAN H. ANDERSON,
* AN ADMINISTRATIVE LAW JUDGE
* OF THE MARYLAND OFFICE
* OF ADMINISTRATIVE HEARINGS
*
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* OAH No.: LABOR-REC-24-22-14403
* MREC No.: 20-RE-159
*
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PROPOSED DECISION

STATEMENT OF THE CASE
ISSUES
SUMMARY OF THE EVIDENCE
PROPOSED FINDINGS OF FACT
DISCUSSION
PROPOSED CONCLUSIONS OF LAW
RECOMMENDED ORDER

STATEMENT OF THE CASE

On or about October 4, 2019,¹ Tyler Maranto and Talula Alascio² (Claimants) filed a Complaint against Cheri Gavin, a licensed associate real estate broker (Respondent), for alleged

¹ Ms. Alascio had filed an online claim on September 11, 2019, but filed another claim on October 4, 2019, when she realized she had not followed the instructions to print out her claim form.

² Ms. Alascio has gotten married since the Complaint was filed. Her name is now Talula Crandall. She is identified as Talula Alascio in all of the filings related to this case. For continuity purposes, I will refer to her as Talula Alascio in this decision.

violations of the Maryland Real Estate Brokers Act (Act),³ and the provisions at Code of Maryland Regulations (COMAR) 09.11.02.01, enacted under the Act. The Claimant also filed a claim (Claim) with the Maryland Real Estate Commission's (REC) Guaranty Fund (Fund) to recover compensation of \$15,000.00⁴ for an alleged actual loss resulting from an act or omission of the Respondent.

On June 7, 2022, after an investigation, the REC determined that the charges against the Respondent were warranted and issued a Statement of Charges (Charges) against the Respondent. The REC charged the Respondent with violating section 17-322(b)(25)⁵ of the Business Occupations and Professions article by allegedly engaging in "conduct that demonstrates bad faith, incompetency, or untrustworthiness, or that constitutes dishonest, fraudulent, or improper dealings."⁶ The REC also charged the Respondent with violating COMAR 09.11.02.01.D for allegedly failing to make "a reasonable effort to ascertain all material facts concerning every property for which the licensee accepts the agency, in order to fulfill the obligation to avoid error, exaggeration, misrepresentation, or concealment of material facts."⁷ The Charges advised the Respondent that if the charged violations were substantiated, she could be reprimanded, have her real estate license suspended or revoked, and/or face a monetary fine.

³ Md. Code Ann., Bus. Occ. & Prof. §§ 17-101 to -702 (2018 & Supp. 2022). Unless otherwise noted, all reference to the Business Occupations and Professions Article will be to the version found in the 2018 volume.

⁴ At the hearing, the Claimants revised their claim and indicated they were asking for the cost of supplies they had to use to keep the well working and remove the stains from their appliances (\$1,166.87), plus the cost to replace various appliances that were damaged by the rusty well water (\$2,500.00), plus \$15,600.00 for the rent Claimant Alascio paid when she was forced to move out of the home in September 2021, for a total of \$19,311.87. In closing, Claimant Alascio argued that the claim should also include the cost of a new well, the loss in value to the home because of the non-operational well, and the down payment the Claimants expended when buying the property. Claimant Alascio did not provide any specific figures for the loss in value to the home or the amount of the down payment.

⁵ Sections (b)(32) and (33) are also listed in the Statement of Charges. However, at the hearing, the REC argued only that the Respondent had violated section (b)(25).

⁶ Bus. Occ. & Prof. § 17-322(b)(25) (Supp. 2022).

⁷ COMAR 09.11.02.01D.

The REC further determined that the Claimant was entitled to a hearing to establish eligibility for an award from the Fund. Accordingly, the REC ordered a combined hearing on the Charges and the Claim and, on June 15, 2022, forwarded the case to the Office of Administrative Hearings (OAH) to conduct a hearing.⁸

On January 9, 2023,⁹ I held a hearing at the OAH in Hunt Valley, Maryland.¹⁰ Hope Sachs, Assistant Attorney General, Maryland Department of Labor (Department), represented the REC on the charged violations of law. Jonathan Phillips, Assistant Attorney General, Department, represented the Fund. The Claimants each represented themselves. Gerard Magrogan, Esquire, represented the Respondent, who was present.

The contested case provisions of the Administrative Procedure Act, the Department's hearing regulations, the REC's procedural regulations, and the Rules of Procedure of the OAH govern procedure.¹¹

ISSUES

1. Did the Respondent violate section 17-322(b)(25) of the Business Occupations Article and/or COMAR 09.11.02.01D?
2. If so, what is the appropriate sanction?

⁸ Bus. Occ. & Prof. § 17-409.

⁹ A hearing scheduled for September 29, 2022, was postponed due to the documented unavailability of the Respondent's counsel. The matter was reset for a hearing on November 9, 2022. Claimant Alascio did not initially appear for the hearing. Claimant Alascio, after being contacted by Claimant Maranto, called to say she had not received notice of the hearing. She also indicated she had hired an attorney and wanted to participate in the hearing. Later on the morning of November 9, 2022, Claimant Alascio appeared in person for the hearing. However, she had been unable to reach her attorney because he was in court. She requested, and I granted, a postponement to allow her to participate in the hearing with an attorney. Claimant Alascio ultimately did not retain the attorney due to the expense and she represented herself at the hearing.

¹⁰ Bus. Occ. & Prof. §§ 17-324(a), 17-408(a).

¹¹ Md. Code Ann., State Gov't §§ 10-201 through 10-226 (2021); COMAR 09.01.03; COMAR 09.11.03; COMAR 28.02.01.

3. Did the Claimants sustain an actual loss, compensable by the Fund, due to an act or omission of the Respondent that constitutes fraud or misrepresentation in the provision of real estate brokerage services or in which money or property was obtained from the Claimants by theft, embezzlement, false pretenses, or forgery?

4. If so, what amount should be awarded to the Claimants from the Fund?

SUMMARY OF THE EVIDENCE

Exhibits

I admitted the following exhibits offered by the REC:

- REC Ex. 1 - Notice of Hearing, September 1, 2022; Subpoenas for Tyler Maranto, September 2, 2022; Talula Alascio, July 20, 2022; Steve Rees, July 20, 2022; and Frazier West, July 20, 2022
- REC Ex. 2 - Statement of Charges and Order for Hearing, June 7, 2022
- REC Ex. 3 - Licensing information for the Respondent, printed October 27, 2022
- REC Ex. 4 - Report of Investigation, 174 pages, dated July 21, 2021, including:
- Summary of the investigation and findings, July 21, 2021, pp. 1-5
 - REC Complaint filed by the Claimants, October 4, 2019, pp. 6-8
 - Letter from the Claimants to supplement information in the Complaint, October 4, 2019, pp. 9-10
 - Email from Claimant Alascio to Dawn Mazzaraferro, Department, November 12, 2019, p. 11
 - Otherwise blank piece of paper with only the word "Complaint" written on it, undated; p. 12
 - Well Man Watercheck LLC invoice, August 1, 2016, p. 13
 - Well Man Watercheck LLC invoice, December 7, 2016, p. 14
 - Well Man Watercheck LLC invoice, May 15, 2019, p. 15
 - Well Man Watercheck LLC invoice, June 19, 2019, p. 16
 - Addendum to Contract of Sale, undated, p. 17
 - Residential Contract of Sale, date of offer June 29, 2019, pp. 18-29
 - FHA Financing Addendum, June 29, 2019, pp. 30-31
 - Property Inspections Addendum, June 29, 2019, pp. 32-35
 - Affiliated Business Arrangement Disclosure Statement, June 29, 2019, pp. 36-37
 - Seller Contribution Addendum, June 29, 2019, p. 38
 - Residential Property Information, signed June 29, 2019, pp. 39-44

- Notice to Buyer and Seller of Buyer's Rights and Seller's Obligations Under Maryland's Single Family Residential Property Condition Disclosure Law, signed by the sellers April 10, 2019, pp. 45-46
- Maryland Residential Property Disclosure and Disclaimer Statement, signed by the sellers, April 10, 2019, pp. 47-50
- Addendum – Anne Arundel County Required Notices, signed by the sellers, April 10, 2019, pp. 51-53
- Disclosure of Information on Lead-Based and/or Lead-Based Paint Hazards, signed by the sellers, April 10, 2019, p. 54
- Parcel Agent 360 Property Report, undated, p. 55
- Consent for Dual Agency, signed by the sellers April 10, 2019, pp. 56-57
- Elevation Certificate, March 15, 2004, p. 58
- Location Drawing, March 25, 2004, p. 59
- Respondent's Licensing Information, printed November 15, 2019, p. 60
- Letter from the Respondent's counsel to Ms. Mazzaferro, December 13, 2019, with attachments, pp. 61-95
- Emails between Frazier West, REC investigator, and Phelps Water Company, May 6-7, 2021, p. 96
- Questionnaire completed by the Claimants, undated, pp. 97-100
- Emails between Mr. West and the Respondent, with attachments, June 25, 2021, pp. 101-173
- Emails between Steve Rees and Mr. West, July 12, 2021, p. 174

The Fund did not offer any exhibits.

Except as otherwise noted, I admitted the following exhibits offered by the Claimants:

- CL Ex. 1 - Text messages between Claimant Alascio and Seller R. Friend, November 2019
- CL Ex. 2 - Text messages between Claimant Alascio and Riley White, September 2019 and February 5, 2020
- CL Ex. 3 - Not admitted.¹²
- CL Ex. 4 - Photographs taken by Claimant Alsacio:
- 4a. Toilet in the master bathroom, November 3, 2022
 - 4b. Spare bathroom sink, November 3, 2022
 - 4c. Spare bathroom tub and shower, November 3, 2022
 - 4d. Spare bathroom tub and shower, different angle, November 3, 2022
 - 4e. Toilet in the spare bathroom, November 3, 2022
 - 4f. Well filter after one month, September 22, 2020
 - 4g. Toilet in the spare bathroom, June 16, 2020
 - 4h. Not admitted.

¹² I did not accept either this exhibit or the photograph marked as CL Ex. 4h. as evidence. Both exhibits have been retained with the file.

- CL Ex. 5 - Photographs of crawl space, September 14, 2022
- CL Ex. 6 - Emails from Dawn Mezzaferro to Seller R. Friend and to Claimant Alascio, November 13, 2019
- CL Ex. 7 - Realtor.com listings, printed January 9, 2023
- CL Ex. 8 - Somerset Well Drilling Co., Inc. Estimate, November 6, 2020
- CL Ex. 9 - Summary of cost of appliance replacements, undated and listing of orders for salt, Lime-A-Way and Iron Out, various dates September 13, 2019, to July 2, 2021
- CL Ex. 10 - Home Inspection Report, 1st Choice Inspection Services, July 22, 2022
- CL Ex. 11 - Residential Contract of Sale, August 20, 2022

I admitted the following exhibits offered by the Respondent:

- Resp. Ex. 1 - Certificate of Analysis, Environmental Testing Lab, June 25, 2019, with Chain of Custody Form and Case Narrative
- Resp. Ex. 2 - Not offered.
- Resp. Ex. 3 - Home Inspection Report, Certified Termite and Home Co., June 22, 2022
- Resp. Ex. 4 - Emails between Riley White, Long and Foster, and the Respondent's business partner, July 3, 2022
- Resp. Ex. 5 - Well Man Watercheck LLC Invoice, July 12, 2019; Phelps Water Co. Invoice, July 9, 2019; Certificate of Analysis, Environmental Testing Lab, July 11, 2019; Environmental Testing Lab Chain of Custody Form, July 9, 2019; and Proposal/invoice from JFK Plumbing Repair and Drain Services, July 16, 2019
- Resp. Ex. 6 - MLS¹³ Listing for 3712 2nd Avenue, Edgewater, MD, listing date June 16, 2022
- Resp. Ex. 7 - Deed for 3712 2nd Avenue, Edgewater, MD, December 15, 2022
- Resp. Ex. 8 - Property Inspections Notice, signed July 17, 2019
- Resp. Ex. 9 - Allied Well Drilling Contract proposal, August 16, 2021

¹³ MLS stands for Multiple Listing Service.

Testimony

The REC presented the testimony of Claimant Alascio and Frazier West, REC investigator.

Claimant Alascio testified and presented the testimony of Cheri Gavin and Thomas Alascio.

Claimant Maranto testified and presented no other witnesses.

Cheri Gavin testified and presented no other witnesses.

The Fund did not present any witnesses.

PROPOSED FINDINGS OF FACT

I find the following facts by a preponderance of the evidence:

1. At all times relevant to the subject of this hearing, the Respondent was licensed by the REC as an associate real estate broker.¹⁴
2. Rebecca and Gary Friend (Sellers) owned the property located at 3712 2nd Avenue in Edgewater, Maryland (Property) from April 2004 until August 20, 2019.¹⁵ The Property is serviced by a well.
3. Prior to August 2016, the Property's well was serviced by Phelps Water Service (Phelps). At a date unclear in the record, Phelps checked the well and noted that it tested low for pressure. Phelps advised the Sellers that the well needed to be fixed and maybe even replaced. The Sellers then switched to a different servicer, Well Man Watercheck LLC (Well Man).
4. On August 1, 2016, Well Man performed a service call on the well at the Property after a report that the well was not backwashing properly. The technician noted that he ran the

¹⁴ REC Ex. 3.

¹⁵ REC Ex. 4, p. 55.

backwashing system for 45 minutes and the pressure went down to 10 psi “when in rapid rinse.”¹⁶

5. On December 7, 2016, Well Man performed another service call after a report that there was iron as well as an odor in the well. At that service call, the technician indicated that the system was “not using enough water prob (sic) still has well problem.”¹⁷

6. From at least 2017 through the date of the sale of the Property, the Sellers had to regularly manually backwash the well’s system because if the system backwashed automatically, the well would run dry. Well Man advised the Sellers on at least one occasion that the well needed to be replaced. The Sellers did not replace the well.

7. When the well ran dry, various neighbors helped refill the well.

8. On April 10, 2019, the Sellers put the Property on the market. The Sellers chose the Respondent, their part-time next-door neighbor since April 2018, to be the listing agent.

9. The Sellers opted not to make any disclosures. However, the Respondent still reviewed the Maryland Residential Property Disclaimer Statement with them. The Sellers denied having any problems with their well and signed the document indicating that the only latent defect on the Property of which they were aware was that the central air conditioning was not working.¹⁸

¹⁶ *Id.*, p. 13. Common settings for pressure settings in private wells are either 30/50 or 40/60. See, <https://www.rcworst.com/blog/30-50-or-40-60-PSI-What-pressure-to-set-your-system-to> (last viewed March 16, 2023):

The pressure switch tells the pump that delivers water to your home when to turn on and off. When the pressure in the system drops to a preset low setting the pump will turn on (commonly known as the cut-on pressure). When the pressure in the system rises to the preset high setting the pump will turn off (commonly known as the cut-off pressure). For example, at 40/60 the pump will turn on when system pressure reaches 40 psi (pounds per square inch) and turn off when system pressure reaches 60 psi.

¹⁷ *Id.*, p. 14.

¹⁸ *Id.*, p. 50.

10. On May 15, 2019, Well Man serviced the well because the Sellers had reported that there was a problem with iron in the water. The technician noted that the “backwash was too low” and the “customer has been manually [backwashing] system.” He also noted that the head¹⁹ was damaged and needed to be replaced and that the well “will stop producing during an entire [backwash] cycle.”²⁰

11. On June 19, 2019, Well Man returned to the Property to replace the head. The technician noted that the “well struggles to keep up.”²¹

12. On a date unclear in the record but before June 20, 2019, prospective buyers (Prospective Buyers) offered, and the Sellers accepted, a contract of sale for the Property.

13. On June 20, 2019, Certified Termite and Home Inspection (Certified) inspected the Property pursuant to the contract.²²

14. On or about June 20 or 21, 2019, the Seller R. Friend advised the Respondent that there was rust in the water and they might need a new well.

15. On June 21, 2019, the Respondent recommended a well driller for the Sellers to contact to evaluate the well.

16. On June 22, 2019, Seller R. Friend advised the Respondent that they had someone²³ come out to look at the well and he had indicated they needed a new well. However, she also told the Respondent they did not trust his opinion because he did not put anything in writing. Seller R. Friend indicated that they wanted someone to do a well certification and if that person told them they needed a new well, they would start the process to do so.²⁴

¹⁹ What piece of equipment in the well this refers to is not explained in the record.

²⁰ *Id.*, p. 15.

²¹ *Id.*, p. 16.

²² *Id.*, p. 10.

²³ *Id.*, p. 104. The text message does not identify the person who came out or for what company he worked.

²⁴ *Id.*, p. 105.

17. In that same message, Seller R. Friend indicated that “since the guy showed [Seller G. Friend] how to properly backwash the system and put in a new filter (which he hadn’t done in months) the system seems to be working fine. . . .” The message also indicated that both Sellers had taken showers on June 21, 2019, and had done two loads of wash and the “pressure seems to be fine & the smell is gone. . . so let me know your thoughts on how you recommend we proceed from here.”²⁵

18. The Respondent replied the same day and advised the Sellers to “definitely get a second opinion” and advised that she would find a well certification company before the Sellers did anything.²⁶

19. On June 25, 2019, the Respondent hired Environmental Testing Lab, Inc. (Environmental Testing), to analyze the water on the Property to certify it prior to closing on the contract of sale between the Sellers and the Prospective Buyers. On June 28, 2019, the completed analysis revealed the presence of bacteria, and the water could not be certified as potable.²⁷

20. At a date unclear in the record, the Prospective Buyers withdrew from their contract and the Sellers put the Property back on the market.

21. On June 29, 2019, the Claimants made, and the Sellers accepted, an offer on the Property in the amount of \$245,000.00.²⁸

²⁵ *Id.*, pp. 106-107.

²⁶ *Id.*, pp. 107-108.

²⁷ Resp. Ex. 1.

²⁸ REC Ex. 4, pp. 18-54. The actual offer was \$249,000.00 but the Sellers rebated \$4,000.00, making the total sales price \$245,000.00.

22. The contract disclosed that the central air conditioning did not work. It also reflected that the well utilized a water conditioner leased from Well Man.²⁹ The contract mentioned nothing about any mechanical problems with the well, although the Respondent did disclose to the Claimant's agent, Riley White, that the June 25, 2019, water test showed there was bacteria in the water.

23. On July 2, 2019, the Respondent gave the Sellers Phelps' name and number to take care of the water quality problem.

24. On July 3, 2019, the Respondent's business partner advised Mr. White that the Sellers were going to have a UV light installed in the well to prevent bacteria from growing and that the Sellers would have the well certified.³⁰

25. On July 9, 2019, Phelps installed the UV light in the well and gathered a water sample for retesting for the presence of bacteria. On July 11, 2019, Environmental Testing issued a Certificate of Analysis certifying that the water sample revealed no bacteria, and the water was certified as potable.³¹

26. Seller R. Friend advised the Respondent that the UV light had been installed and the water in the well was certified as potable. In addition, she indicated that they were thankful the well was fixed and that they did not need a new well.

27. On July 12, 2019, the Sellers had repair work done to the hot water heater and presented those bills to the Respondent to show it had been completed.³²

²⁹ A water conditioner is a water softener used to soften "hard" water. Hard water is "the amount of dissolved calcium and magnesium in the water." <https://www.usgs.gov/special-topics/water-science-school/science/hardness-water> (last viewed March 16, 2023). Water softening systems reduce the concentrations of minerals in the water, thereby "softening" the water. <https://www.healthline.com/health/hard-water-and-soft-water#Whats-the-difference-between-hard-water-and-soft-water?> (last viewed March 16, 2023).

³⁰ Resp. Ex. 4.

³¹ Resp. Ex. 5.

³² *Id.*

28. The Sellers never got a second opinion as to whether the Property needed a new well.

29. The Claimants never asked for a yield test of the well.³³

30. The Claimants settled on the Property on August 20, 2019, and moved in on August 24, 2019. Within approximately a week of moving in, the water began to turn yellow and smell strongly of sulfur and iron. The water stained the sinks, toilet bowls, shower, dishwasher and a load of white sheets and towels.

31. The Claimants contacted Well Man, the well company that serviced the well and leased the well conditioner to the Sellers, to ask about the problems. Well Man's owner advised the Claimants that the Sellers had been manually backwashing the system for at least two years because if the backwashing system ran automatically, the well would run dry. He also said that he had advised the Sellers many times that the whole well needed to be replaced.

32. The Claimants attempted to resolve the matter with the Sellers. The Sellers advised the Claimants that they had told the Respondent about the issues with the well and she had never advised them that they needed to disclose it. The Claimants and the Sellers did not resolve the matter.

33. On September 11, 2019, the Claimants filed a claim with the REC for \$18,000.00, the cost to replace the well. On October 4, 2019, Claimant Alascio resubmitted it because she had failed to print out the claim sheet before submitting it originally.

34. The Claimants resided in the Property together until the summer of 2020 when they separated, and Claimant Maranto moved out.

³³ A yield test reveals the balance "between the maximum amount of water that can be pumped out of the well and the amount of water that recharges back into the well from the surrounding ground water source." https://www.watersystemscouncil.org/download/wellcare_information_sheets/basic_well_information_sheets/WELL%20YIELD_FINAL.pdf. (Last viewed: March 16, 2023). This test is used to determine how much water a well can access to ensure the well can provide enough water for a household's needs.

35. The Claimants manually backwashed the well every day they lived at the Property; if they did not, the well would run dry. Even with the manual backwashing, the water pressure remained low, and the well would run dry if they used too much water, such as doing a few loads of laundry.

36. Claimant Alascio lived in the Property until September 2021, when she moved out because even the daily backwashing was unable to completely eliminate the iron and rust in the water to the point that the water was rendered unusable for drinking, bathing, or doing laundry.

37. In November 2020, the Claimants got an estimate from Somerset Well Drilling in the amount of \$18,025.25 to drill a new well. In August 2021, the Claimants got an estimate of \$15,150.00 from Allied Well Drilling to drill a new well. However, the Claimants could not afford to replace the well.

38. The iron levels were so high in the water that filters that are generally changed every few months got completely clogged in less than a month.³⁴

39. Between September 13, 2019, and July 2, 2021, the Claimants spent \$1,166.87 on Iron Out and Lime-A-Way to clean the stained appliances and on salt to soften the water.³⁵

40. In order to sell the Property, the Claimants had to replace two toilets, a bathtub, a corner shower, a pedestal sink, two faucets, the washing machine and dishwasher because they were so stained from the rust in the water. The Claimants spent \$1,996.00 on the new appliances, plus approximately \$400.00 on labor to install them.³⁶

41. The Claimants sold the Property in December 2022 for \$275,000.00³⁷, \$5,000.00 less than what they owed on it.

³⁴ CL Ex. 4(f).

³⁵ CL Ex. 9.

³⁶ *Id.*

³⁷ CL Ex. 11.

DISCUSSION

THE REGULATORY CHARGES

THE APPLICABLE LAW AND THE BURDEN OF PROOF

The Business Occupations and Professions Articles sets forth conduct that can lead to discipline for a licensee.³⁸ The REC charged the Respondent under section 17-322 of the Act as follows:

(b) Subject to the hearing provisions of § 17-324 of this subtitle, the Commission may deny a license to any applicant, reprimand any licensee, or suspend or revoke a license if the applicant or licensee:

...
(25) engages in conduct that demonstrates bad faith, incompetency, or untrustworthiness or that constitutes dishonest, fraudulent, or improper dealings;

...
The REC further charged the Licensee under COMAR 09.11.02.01D, part of the Code of Ethics for licensees, for failing to “make a reasonable effort to ascertain all material facts concerning every property for which the licensee accepts the agency, in order to fulfill the obligation to avoid error, exaggeration, misrepresentation, or concealment of material facts.”⁴⁰

When not otherwise provided by statute or regulation, the standard of proof in a contested case hearing before the OAH is a preponderance of the evidence, and the burden of proof rests on the party making an assertion or a claim.⁴¹ To prove an assertion or a claim by a preponderance of the evidence means to show that it is “more likely so than not so” when all the evidence is considered.⁴² In this case, the REC bears the burden to prove by a preponderance of the evidence that the Respondent committed the violations alleged in the Charges.⁴³

³⁸ Bus. Occ. & Prof. § 17-101(k) (“‘Licensee’ means a licensed real estate broker, a licensed associate real estate broker, or a licensed real estate salesperson.”).

³⁹ Bus. Occ. & Prof. § 17-322(b)(25) (Supp. 2022).

⁴⁰ COMAR 09.11.02.01D.

⁴¹ State Gov’t § 10-217 (2021); COMAR 28.02.01.21K.

⁴² *Coleman v. Anne Arundel Cnty. Police Dep’t*, 369 Md. 108, 125 n.16 (2002).

⁴³ COMAR 28.02.01.21K(1), (2)(a).

THE POSITION OF THE PARTIES

The Claimants asserted that the Respondent knew about the problems with the well on the Sellers' Property but did not tell the Sellers that they needed to disclose the issues as a latent defect. The Claimants further maintained that the Respondent, who owned a home next door to the Property, was friends with the Sellers, and had to have known about the problems with the well, since many other neighbors were aware of the problems and provided water to them. The Claimants asserted that had they known that the well needed to be replaced, they would not have purchased the Property as they did not have the funds to dig a new well.

The Respondent argued that the Sellers did not tell her about all the problems with the well. She contended that when they told her there was rust in the water and someone had advised them that they might need a new well, she advised them that if a new well was needed, it had to be done. The Respondent also asserted that when the Sellers advised that someone had said they needed a new well, although the Sellers did not trust the person, she told them to get a second opinion. Finally, the Respondent maintained that the Sellers showed her the invoices for the installation of the UV light filter and told her that Phelps did not say they needed a new well. She asserted that she reasonably relied on this, as well as their earlier claim that the problems were resolved after changing a filter and learning how to properly backwash, when she determined that the well was fine and there was nothing to disclose. The Respondent argued that she followed up appropriately about any potential well problems and made reasonable efforts to ascertain all the material facts about the Property.

ANALYSIS

The Respondent Was on Notice of Potentially Significant Problems with the Well

The evidence overwhelmingly shows that the well on the Property needed to be replaced and that the Sellers were advised of this as early as 2015. Claimant Alascio testified credibly

about the fact that within several days of moving in, she noticed staining in the toilets, sinks, bathtubs, and that an entire load of white wash was stained orange from the rust in the water. She also testified that the water pressure was so low that they could not take a shower and run the dishwasher at the same time. Her testimony and evidence established that at least two different well companies had advised the Sellers that the well needed to be replaced. The Claimants presented invoices from Well Man dating back to 2016 showing the ongoing problems with the automatic backwashing system and the rust in the water. In addition, the REC presented an email from another neighbor, Steve Rees, who indicated that he, as well as other neighbors, knew about the extensive problems with the well on the Property.⁴⁴ Claimant Alascio also testified that Mr. Rees told her that on many occasions he had helped refill the well when it ran dry.

There is no doubt that the Sellers had been advised several times that the well needed to be replaced and that they advised the Respondent of this possibility in June 2019. The Sellers were clearly resistant to replacing the well; when Phelps first suggested it may need to be done in 2015, they responded by immediately switching water companies. They also resisted any subsequent recommendations to replace the well. This is clear from the text messages between Seller R. Friend and the Respondent. For example, sometime between June 19 and June 21, 2019, Seller R. Friend first advised the Respondent that the well might need to be replaced. That comes on the heels of the Well Man visit on June 19, 2019, where the technician noted that the well “struggles to keep up” and there were continuing problems with backwashing. It is more likely than not the technician advised them that they would likely need a new well, especially as this was the second service call in a month where it was noted that the well was having difficulty

⁴⁴ REC Ex. 4, p. 174.

producing water. In response, the Respondent provided them with contact information for a well drilling company to contact about the well.

It appears from the evidence that the Sellers did not contact the company the Respondent suggested and instead may have had a friend of their son's out to look at the well.⁴⁵ Whoever this person was, it is implicit in Seller R. Friend's text message to the Respondent on June 22, 2019, that he advised them they needed a new well. In that text message, Seller R. Friend was very dismissive of his opinion ("I do not believe this mans (sic) opinion yesterday...") and stated that if a "qualified licensed individual" told them they needed a new well, they would begin getting estimates.⁴⁶ Additionally, Seller R. Friend attempted to downplay the issues in that same text where she indicated that the problems seemed to have resolved since the filter was changed and Seller G. Friend was shown how to properly backwash the well. It is notable that, in response to this, the Respondent advised the Sellers unequivocally that they needed a second opinion, and also that she would find a well certification company for them.⁴⁷

The evidence shows the Respondent hired Environmental Testing on June 25, 2019, to certify that the water in the well was potable as part of the process related to the first contract on the Property before the Prospective Buyers withdrew from the contract. The Home Inspection Report (Report) shows that the inspection was performed on June 20, 2019, and the Report was issued on June 22, 2019.⁴⁸ The string of text messages between Seller R. Friend and the Respondent shows that they discussed the Report on June 24, 2019⁴⁹ and had a contractor, Brian Ernst, provide an estimate of the cost to make necessary repairs on or about June 26, 2019.⁵⁰

⁴⁵ Testimony of Respondent.

⁴⁶ REC Ex. 4, pp. 104-105.

⁴⁷ *Id.*, p. 107.

⁴⁸ Resp. Ex. 3.

⁴⁹ REC Ex. 4, pp. 115-116.

⁵⁰ *Id.*, pp. 122-124.

All of this occurred before the Prospective Buyers withdrew from the contract and even before Environmental Testing's analysis showed the presence of bacteria in the water, which occurred on June 28, 2019.⁵¹

There is no evidence to suggest that the Sellers obtained a second opinion as to whether they needed a new well prior to June 29, 2019, when they accepted the Claimants' offer. What the evidence does show, as demonstrated above, is that as of that date, the Respondent knew the well might need to be replaced and that the water could not be certified as potable due to the presence of bacteria. It is true that the Sellers had advised the Respondent that changing the filter and learning to properly backwash had seemed to resolve any pressure or odor problems with the well. However, even after they told her this, she advised them that they "definitely" needed to get a second opinion, including a certification that the well did not need to be replaced. Claimant Alascio testified that the Respondent told their agent about the presence of bacteria in the water and the email between Mr. White and the Respondent's business partner about the installation of the UV light confirms this.⁵²

The Respondent disputed this and maintained that she had recommended Phelps to give a second opinion as to whether the well needed to be replaced. She further maintained that the Sellers had hired Phelps, Phelps had installed the UV light and had the water certified as potable by Environmental Testing, after which Seller R. Friend represented that Phelps did not tell them they needed a new well. The Respondent testified that she relied on this, along with the earlier text message about the pressure returning to normal and the odor being gone, as proof that any problems with the well had been resolved and thus, there was nothing to disclose. However, Phelps did not install the UV light until July 9, 2019, and the water analysis was not completed until July 11, 2019.

⁵¹ Resp. Ex. 1.

⁵² Resp. Ex. 4.

Therefore, if I accept the Respondent's testimony that this is in part what she relied upon in determining there was nothing to disclose, she would not have known the well allegedly had no problems until the second week of July.

The Respondent also never specifically asked the Sellers if they got a second opinion about the need for a new well. In her testimony, she stated that she got a receipt from Phelps about the installation of the UV light and the water being potable and assumed that took care of the problem. However, even if she understood this to be a second opinion, it still does not explain why she did not disclose the potential issue when she disclosed the issue about the potability of the water approximately two weeks before.

There is also no proof that Phelps did a full inspection of the well; in fact, it appears more likely than not that Phelps was hired to resolve the bacteria problem, which it did through the installation of the UV light. There is no documentation or other evidence to show that Phelps was told about the other problems the well had been experiencing and was asked specifically to address whether a new well was needed. Had that been the case, it is more likely than not there would have been a notation on a work order or invoice reflecting that. For example, each of the Well Man invoices indicates exactly what the service call was for and the outcome. The Phelps' July 9, 2019, invoice refers only to the installation of the UV light and the bacteria test; there is no mention of any further inspection of the well. It is clear that the Respondent never saw a "certification" that the well did not need to be replaced, as the Sellers never obtained a second opinion.

I note that the Claimants and the Fund argued that the Respondent would have been aware of the issues with the well just by virtue of living next door. For support, they pointed to Mr. Rees' emailed statement that the Respondent "had to know [about the problems with the

well] because all of us neighbors are friendly with each other.”⁵³ However, I placed little weight on Mr. Rees’ statement as he made no definitive claim that either he or anyone else had told the Respondent about the Property’s well issues. Moreover, it is immaterial whether or not the Respondent heard about the issues just by virtue of living next door; the text messages between the Sellers and the Respondent were sufficient to put the Respondent on notice as to the potential issues that needed further investigating. While the Respondent, as a realtor, had no duty to investigate and report on all possible defects,⁵⁴ once she was on notice that there was a potential issue, she was obligated to investigate further.

The Potential Well Problems Constituted a Material Fact That the Respondent Should Have Disclosed

There is no doubt that the fact that the well needed or might have needed to be replaced is a material fact that should have been disclosed to the Claimants.⁵⁵ Replacing a well is an expensive undertaking; it is reasonable to assume that the buyer of a property would want to know that a well had to be replaced, or even that it had been raised as a possibility, before going through with the purchase of a property. This is especially true in this case, where the problems with the well constituted a latent defect, one that is “typically not found through normal inspection/investigation techniques.”⁵⁶ In fact, the Claimants testified that they would not have gone through with the purchase of the Property had they known it needed a new well as they could not afford to install one.

⁵³ REC Ex. 4, p. 175.

⁵⁴ See, e.g., *Lewis v. Long & Foster Real Estate, Inc.*, 85 Md. App. 754, 763 (1991) (“A real estate broker has no duty to investigate and report on defects which might exist in property.”)

⁵⁵ See *Gross v. Sussex* 332 Md. 247, 258 (1993) (“A fact is material if its existence or non-existence is a matter to which a reasonable man would attach importance in determining his choice of action in the transaction.”).

⁵⁶ <https://thelawdictionary.org/latent-defect/> (last viewed: March 16, 2023).

At the time the Respondent disclosed the problem with the water, she should have disclosed the fact that the Property possibly needed a new well. That would have put the Claimants on notice of a potential issue and given them the opportunity to make an informed decision about how to proceed.

When the Respondent failed to disclose this fact and/or further investigate whether a new well was needed, she violated Business Occupations and Professions section 17-322(b)(25) because the failure to disclose “demonstrate[d] bad faith, incompetency, or untrustworthiness or that constitute[d] dishonest, fraudulent, or improper dealings.”⁵⁷ She also violated COMAR 09.11.02.01D because she failed to “make a reasonable effort to ascertain all material facts” so as to avoid “error, misrepresentation, or concealment of material facts.” Accordingly, I find the REC has met its burden of showing that the Respondent committed the violations alleged in the Charges.

DISCIPLINARY SANCTIONS

Having determined that the Respondent committed the violations alleged in the Charges, I now turn to the appropriate sanctions for those violations.

Section 17-322(c) of the Act provides as follows:

(c)(1) Instead of or in addition to reprimanding a licensee or suspending or revoking a license under this section, the Commission may impose a penalty not exceeding \$5,000 for each violation.

(2) To determine the amount of the penalty imposed, the Commission shall consider:

- (i) the seriousness of the violation;
- (ii) the harm caused by the violation;
- (iii) the good faith of the licensee; and
- (iv) any history of previous violations by the licensee.

(3) The Commission shall pay any penalty collected under this subsection into the General Fund of the State.

⁵⁷ See, e.g., *Maryland Real Estate Com'n v. Garceau*, 234 Md.App. 324 (2017) (holding that a realtor's failure to disclose the material fact that wells in the area were or potentially were contaminated such that the wells needed to be periodically tested was a violation of section 17-322(b)(25) even where tests on the well on the property in question had shown no contamination.)

(4) The Commission may not impose a fine based solely on a violation of subsection (b)(35) of this section.⁵⁸

The REC recommended the imposition of a reprimand and a fine of \$2,500.00 for each of the violations for a total fine of \$5,000.00. The REC gave no rationale for its recommendation; however, when analyzing the recommendation under the factors set forth in 17-322(c), I find that the recommendation is reasonable.

The Respondent does not have a history of previous violations. The Respondent's violations regarding this case are not insignificant, but they also are not in the most severe category of violations that could be committed by a real estate broker. While the Respondent clearly should have investigated the matter further and disclosed the fact that the well potentially needed to be replaced, there is no evidence that she committed fraud, theft, or embezzlement. The Claimants were harmed by the Respondent's conduct because, by not being told about the problems with the well and the fact the Sellers had been told they might need a new well, they were not informed of a possible latent defect and were deprived of the chance to make a fully informed decision about going forward with the purchase of the Property. As a result, they ended up with a Property with a non-functioning well that they could not afford to replace.

Based on the forgoing, I find that the REC's requested reprimand and \$2,500.00 civil penalty for each violation are the appropriate sanctions.⁵⁹

THE FUND CLAIM

THE LEGAL STANDARD AND THE BURDEN OF PROOF

A person may recover compensation from the Fund for an actual loss based on certain types of acts or omissions in the provision of real estate brokerage services by a licensee. A

⁵⁸ Bus. Occ. & Prof. § 17-322(c) (Supp. 2022).

⁵⁹ *Id.*

licensee “means a licensed real estate broker, a licensed associate real estate broker, or a licensed real estate salesperson.”⁶⁰

The provision of real estate brokerage services is defined as follows:

(l) “Provide real estate brokerage services” means to engage in any of the following activities:

(1) for consideration, providing any of the following services for another person:

- (i) selling, buying, exchanging, or leasing any real estate; or
- (ii) collecting rent for the use of any real estate;

(2) for consideration, assisting another person to locate or obtain for purchase or lease any residential real estate;

(3) engaging regularly in a business of dealing in real estate or leases or options on real estate;

(4) engaging in a business the primary purpose of which is promoting the sale of real estate through a listing in a publication issued primarily for the promotion of real estate sales;

(5) engaging in a business that subdivides land that is located in any state and sells the divided lots; or

(6) for consideration, serving as a consultant regarding any activity set forth in items (1) through (5) of this subsection.⁶¹

A Claim shall:

(i) be based on an act or omission that occurs in the provision of real estate brokerage services by:

- 1. a licensed real estate broker;
- 2. a licensed associate real estate broker;
- 3. a licensed real estate salesperson; or
- 4. an unlicensed employee of a licensed real estate broker;

(ii) involve a transaction that relates to real estate that is located in the State; and

(iii) be based on an act or omission:

- 1. in which money or property is obtained from a person by theft, embezzlement, false pretenses, or forgery; or
- 2. that constitutes fraud or misrepresentation.⁶²

⁶⁰ Bus. Occ. & Prof. § 17-101(k) (2018).

⁶¹ *Id.* § 17-101(l).

⁶² *Id.* § 17-404(a)(2).

The amount recovered for any claim against the Fund may not exceed \$50,000.00 for each claim.⁶³ In addition, any compensation is limited to “the actual monetary loss incurred by the claimant but may not include monetary losses other than the monetary loss from the originating transaction.”⁶⁴

The Claimants have the burden of proving the validity of the Claim by a preponderance of the evidence.⁶⁵ To prove a claim by a preponderance of the evidence means to show that it is “more likely so than not so” when all the evidence is considered.⁶⁶ For the reason that follows, I find the Claimants have met their burden.

ANALYSIS

The Respondent’s Omission Regarding the Condition of the Well Constitutes a Negligent Misrepresentation

It is undisputed that the Claim involves an omission by the Respondent, a licensed real estate salesperson. It is also undisputed that the claim involves a transaction that relates to real estate that is located in the State. Therefore, two of the requirements outlined in 17-404(a)(2) of the Business Occupations and Professions Article are therefore satisfied.

The remaining dispositive issue is whether the Respondent’s omission constitutes fraud or misrepresentation under section 17-404(a)(2)(iii)(2) for which the Claimants should be compensated by the Fund. For the reasons set forth below, I conclude that the Claimants have satisfied their burden of showing that the Respondent committed an act or omission that constituted misrepresentation.

⁶³ *Id.* § 17-404(b).

⁶⁴ COMAR 09.11.01.15.

⁶⁵ Bus. Occ. & Prof. § 17-407(e) (2018); State Gov’t § 10-217.

⁶⁶ *Coleman*, 369 Md. at 125 n.16.

A finding of fraud requires the intent to deceive through a representation that is knowingly false or made in reckless indifference to the truth.⁶⁷ There is no evidence the Respondent intended to deceive the Claimants about the condition of the well. I find the evidence does not support a conclusion, by a preponderance of the evidence, that the omission in the instant case constituted fraud.

However, recovery is also permitted from the Fund if the act or omission complained of constitutes a misrepresentation.⁶⁸ Negligent misrepresentation only requires “conduct which falls below the standard of care the maker of the statement owes to the person to whom it is made”⁶⁹ and can include a negligent failure to disclose.⁷⁰ While “there can be no negligence where there is no duty that is due”⁷¹ as stated above, the Respondent’s duty of care to the Claimants was imposed by statute and regulation. Once she was on notice that there was a potentially serious issue with the well, she was obligated to investigate further to ensure that she had fulfilled her obligation to ascertain all material facts about the Property and thereby avoid a material misrepresentation to members of the public. As the Appellate Court of Maryland⁷² stated in *Lewis v. Long & Foster, Inc.*, the purpose of regulating the field of real estate sales is to set minimum guidelines for professional conduct thereby safeguarding the public.⁷³

⁶⁷ *First Union Nat. Bank v. Steele Software Sys.*, 154 Md. App. 97, 147 (2003).

⁶⁸ Intentional misrepresentation is simply another name for fraud. See *B.N. v. K.K.*, 312 Md. 135, 149 (1988). Thus, I consider negligent misrepresentation within the scope of subsection 17-404(a)(2)(iii)(2) of the Business Occupations Article; to hold otherwise would impermissibly render statutory language nugatory and meaningless. See *Baltimore Bldg. & Constr. Trades Council, AFL-CIO v. Barnes*, 290 Md. 9, 15-17 (1981) (“a statute . . . is to be read so that no word, clause, sentence or phrase is rendered surplusage, superfluous, meaningless, or nugatory”).

⁶⁹ *Gross v. Sussex*, 332 Md. 247 (1993).

⁷⁰ See *Lloyd v. Gen. Motors Corp.*, 397 Md. 108, 135-36 (2007); see also Md. Code Ann., Bus. Occ. & Prof. § 17-404(a)(2)(iii) (2018).

⁷¹ See, e.g., *Village of Cross Keys v. U.S. Gypsum*, 315 Md. 741751 (1989) (internal quotations and citations omitted).

⁷² Until December 14, 2022, the Appellate Court of Maryland was known as the Court of Special Appeals.

⁷³ *Lewis*, at 760.

The required factors for a case of negligent representation are as follows:

- (1) the Respondent's negligent assertion of a false statement;
- (2) the Respondent's intent that his statement will be acted upon by the Claimant;
- (3) the Respondent's knowledge that the Claimant will probably rely on the statement, which, if erroneous, will cause loss or injury;
- (4) the Claimant, justifiably, takes action in reliance on the statement; and
- (5) the Claimant suffers damage proximately caused by the Respondent's negligence.⁷⁴

The omission in this case meets the requirements of negligent misrepresentation as demonstrated above with respect to the Respondent's statutory and regulatory violations. By failing to disclose to the Claimants the material fact of the issues the Sellers had with the well and the potential that a new well was needed, the Respondent misrepresented that the well was in good working condition. The Respondent intended that the Claimants would act on and knew or should have known that the Claimants would rely on her representation when deciding whether to go through with the purchase of the Property. In fact, the Claimants did rely on the representation when they opted not to have a complete well inspection performed and, as a result, suffered damages linked to the Respondent's omission.

Accordingly, I find the Claimants have met their burden of proving that they have a viable claim. I now turn to the amount of their actual losses, if any.

The Amount of the Claimants' Actual Losses

The Claimants asserted that their actual losses included \$18,025.25 for the cost of drilling a new well; an unknown sum for the loss of the value in the home when the Claimants had to sell for less than they owed because of the non-operational well; \$2,500.00 for the cost of the new appliances they had to purchase and install; \$1,166.87 for the cost of the Iron Out and Lime-A-Way needed to clean the appliances and the salt to boost the performance of their water conditioner; an unknown sum for the amount of their downpayment on the Property, and the

⁷⁴ See *UBS Fin. Services, Inc. v. Thompson*, 217 Md. App. 500, 525 (2014).

\$15,600.00 in rent that Claimant Alascio had to pay when she was forced to move out of the Property in September 2021, thirteen months before they were able to sell it.

The Claimants presented evidence of the cost of the replacement appliances they purchased in order to be able to sell the Property, as well as evidence of the cost of the Iron Out, Lime-A-Way and salt. The Fund argued, and I agree, that these costs stem from the remediation the Claimants had to do as a direct result of the originating transaction in this case and are therefore compensable by the Fund. Those amounts are \$2,500.00 for the purchase and installation of the appliances, and \$1,166.87 for the Iron Out, Lime-A-Way and salt.⁷⁵ While the Respondent characterized the salt as being used for maintenance purposes, the testimony established that the Claimants had to use a larger-than-average amount of salt to maintain the well due to the high iron content of the water.

On the other hand, the Claimants failed to show that their actual losses included the loss of value of the Property, the cost to replace the well, or the \$15,600.00 expended on Claimant Alascio's rent from September 2021 through December 2022. As the Fund pointed out, the Claimants never actually replaced the well and therefore incurred no reimbursable loss. Further, they presented no evidence as to the loss of value to the Property due to the lack of a well when they sold the Property in December 2022. Claimant Alascio testified that the Property appraised for \$80,000.00 less than what they originally purchased it for and presented listings from other properties in the neighborhood to show how much less the Property sold for. However, as the Fund noted, the evidence about the property values is tenuous and speculative and would not support an award under the Statute. The Claimants presented no rationale for requesting the amount of their deposit on the home as part of their actual loss.

⁷⁵ CL Ex. 9.

Finally, the Claimants did not show how Claimant Alascio's rent was connected to the "originating transaction." For all of these reasons, I find the Claimants have proven an actual loss of \$3,666.87⁷⁶ for which they are entitled compensation from the Fund.

PROPOSED CONCLUSIONS OF LAW

Based on the Findings of Fact and Discussion, I conclude as a matter of law that the Respondent violated Md. Code Ann., Bus. Occ. & Prof. § 17-322(b)(25) and COMAR 09.11.2.01C. Consequently, I conclude that the Respondent is subject to the disciplinary sanction of a reprimand.⁷⁷

I further conclude that the Respondent is subject to a monetary penalty of \$5,000.00.

Based on the Findings of Facts and Discussion, I conclude that the Claimants have established by a preponderance of the evidence that they sustained an actual loss compensable by the Fund resulting from an act or omission in the provision of real estate brokerage services that constitutes fraud or misrepresentation.⁷⁸

I further conclude that the Claimants are entitled to recover \$3,666.87 from the Fund.⁷⁹

RECOMMENDED ORDER

I RECOMMEND that the Maryland Real Estate Commission **ORDER:**

The Charges against the Respondent be **UPHELD**; and

ORDER that the Respondent be reprimanded and pay a fine of \$5,000.00;

ORDER that the Maryland Real Estate Commission Guaranty Fund grant the Claimants' claim in the amount of \$3,666.87; and

⁷⁶ \$2,500.00 for purchase and installation of new appliances + \$1,166.87 for Iron Out, Lime A-Way and salt = \$3,666.87.

⁷⁷ Md. Code Ann., Bus. Occ. & Prof. § 17-322(c) (Supp. 2022).

⁷⁸ Md. Code Ann., Bus. Occ. & Prof. §§ 17-404, 17-410 (2018); COMAR 09.11.01.15.

⁷⁹ Md. Code Ann., Bus. Occ. & Prof. § 17-404(b) (2018); COMAR 09.11.01.19.

ORDER that the records and publications of the Maryland Real Estate Commission reflect this decision.

March 30, 2023
Date Decision Issued

SHA/sh
#202796

SIGNATURE ON FILE

Susan H. Anderson
Administrative Law Judge