IN THE STATE OF MISSISSIPPI BEFORE THE MISSISSIPPI REAL ESTATE COMMISSION

MISSISSIPPI REAL ESTATE COMMISSION

COMPLAINANT

VS.

NO. 023-1804

LAMESHIA EDWARDS, BROKER ERICA JOHNSON, SALESPERSON

RESPONDENTS

AGREED ORDER

This cause came before the Mississippi Real Estate Commission, sometimes hereinafter "Commission," pursuant to the authority of Miss. Code Ann. §§73-35-1, et seq., as amended, on a Complaint against Lameshia Edwards, Broker, and Erica Johnson, Salesperson, and the Commission, was advised that there has been an agreement reached among the parties resolving the issues brought forward in this complaint. By entering into this Agreed Order, the Respondents waive their right to a full hearing and their right to appeal to the circuit court. The Commission, then, does hereby FIND AND ORDER the following:

I.

Respondent Lameshia Edwards, sometimes hereinafter "Respondent Edwards" is an adult resident citizen of MS whose last known address of record with the Commission is 105 Ashbrooke Blvd., Madison, MS. Respondent Edwards holds of a real estate broker's license issued by the Commission pursuant to Miss. Code Ann. §§73-35-1, et seq., and, as such, she is subject to the provisions, rules, regulations and statutes governing the sale and transfer of real estate and licensing of real estate brokers under Miss. law. Respondent Edwards is the responsible broker for Community First Real Estate, LLC and was the broker for Respondent Erica Johnson.

Respondent Erica Johnson, sometimes hereinafter "Respondent Johnson," is an adult resident citizen of Mississippi, whose last known address of record with the Commission is 195 Winchester, Byram, MS. Respondent Johnson is the holder of a real estate salesperson's license issued by the Commission pursuant to Miss. Code Ann. §§73-35-1, *et seq.*, as amended and, as such, she is subject to the provisions, rules, regulations and statutes governing the sale and transfer of real estate and licensing of real estate brokers under Mississippi law.

III.

The Commission received a sworn complaint from Willie Shannon, sometimes hereinafter called "Shannon." Shannon complained to the Commission following a failed transaction for his rent-to-purchase of a home located at 3521 Wheatly St., Jackson, MS. The Commission opened its investigation of the matter. Respondent Johnson was the seller's agent for the owner, Kindale Johnson, the mother-in-law of Respondent Johnson. Shannon is an uncle to Respondent Johnson. Respondent Johnson listed this home on MLS and reached out to Shannon, informing him that this home was available. Shannon didn't have the \$35,000 selling price amount readily available and inquired about renting this property until he qualified for a mortgage. This offer was accepted by the owner, with a one-year deadline for Shannon to arrange financing. At this point, no required WWREB forms were on file at the brokerage firm, executed between Johnson and the prospective purchaser, Shannon, or with the owner of this property.

IV.

Respondent Johnson claimed that her mother-in-law decided to deflect this transaction (and the commission that would have been generated) from the brokerage firm and handle this rent-to-own deal herself. A form rental agreement from Office Depot was executed. Shannon provided Respondent Johnson a \$3404.00 cashier's check, consisting of \$1404.00 in rent and \$2000.00 for, according to Shannon, partial payment toward purchase, but according to Respondent Johnson, a non-refundable rental "deposit".

V.

Respondent Edwards took notice of the MLS listing and, on Sept. 21, 2015 inquired of Respondent Johnson the status of the property. Upon learning from Respondent Johnson that this sale possibility was deflected and converted to a rent by owner situation, Respondent Johnson was instructed by Respondent Edwards to revert this transaction to the brokerage firm. Shannon signed a brokerage lease agreement and, importantly, a WWREB form. All forms were backdated to mid-August, however, per Respondent Edward's instructions.

VI.

Shannon wanted reimbursement for his \$2,000 spent for repairs and/or upgrades he made to the subject property while living there. Upon learning this, Respondent Edwards directed Respondent Johnson to bring in what documents weren't on file for this transaction and to document it properly through her brokerage firm. Respondent Edwards never required Respondent Johnson to properly account for or produce the \$2,000 deposit into the brokerage escrow account.

VII.

Ultimately, it was learned that Respondent Johnson had failed to properly execute the required documents timely or account for the money provided her by Shannon. Further, Respondent Edwards failed to properly supervise Respondent Johnson as evidenced by Respondent Edwards instructing Respondent Johnson to "backdate all documents" and have all rental payments go through Respondent Johnson, as opposed to going through the brokerage firm, and not accounting for the \$2,000.00 "deposit".

VIII.

The above and foregoing described acts and omissions of the Respondents constitute violations of the Mississippi Real Estate Brokers License Act of 1954, as amended, §§73-35-1, et seq., Miss. Code Ann., and the Rules and Regulations of the Commission, and, more specifically, §73-35-21(1)(f) and (n) and Commission Rules 3.1A, 3.4A, and 3.4D which provide, in relevant parts:

§73-35-21(1)(f) Failing, within a reasonable time, to account for or to remit any monies coming into his possession which belong to others... Every responsible broker... shall deposit, within a reasonable period of time, the sum or sums so received in a trust or escrow account in a bank or trust company pending the consummation or termination of the transaction. "Reasonable time" in this context means by the close of business of the next banking day;

§73-35-21(1)(n) Any act or conduct, whether of the same or a different character than hereinabove specified, which constitutes or demonstrates...incompetency... or improper dealing...