

MARYLAND REAL ESTATE COMMISSION	*	BEFORE THE
V.	*	MARYLAND REAL
KAREN J. TOWNE HOME TOWNE REAL ESTATE	*	ESTATE COMMISSION
AND	*	CASE NO. 2008-RE-168GF
CLAIM OF AMBER N. DIXON AGAINST THE MARYLAND REAL ESTATE COMMISSION GUARANTY FUND	*	
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**CONSENT ORDER AND SETTLEMENT AGREEMENT**

This matter comes before the Maryland Real Estate Commission ("Commission") as the result of a complaint and Guaranty Fund claim filed by Amber Dixon ("Claimant"). Based on the complaint and an investigation, the Commission determined that administrative charges against Karen J. Towne, the Respondent Real Estate Broker ("Respondent"), license registration number 01-96690, are appropriate and that an administrative hearing on those charges should be held. The Commission transmitted the matter to the Office of Administrative Hearings ("OAH") for a hearing on the charges and the claim against the Guaranty Fund. The OAH scheduled a hearing for November 16, 2010 at 10:00 a.m. in Prince Frederick, Maryland.

Prior to the hearing, the Commission, the Respondent, and the Claimant (the "Parties") agreed to enter into this Consent Order and Settlement Agreement as a final settlement of Case No. 2008-RE-168GF.

The Parties agree and stipulate as follows:

1. Respondent Karen J. Towne is currently licensed by the Commission as a Real Estate Broker for Home Towne Real Estate, license registration number 01-96690. At all times relevant to the matters set forth in this Consent Order and Settlement Agreement, the Commission has had jurisdiction over the subject matter and the Respondent.

2. On or about August 29, 2007, Claimant Amber Dixon filed a complaint against the Respondent. The Claimant also filed a claim for reimbursement from the Real Estate Commission Guaranty Fund for losses allegedly incurred as a result of the conduct of the Respondent. Claimant entered into a contract of sale ratified on or about January 22, 2006 to

purchase a property known as 45181 Smith's Lane, Callaway, Maryland from Michael and Julie Tomasick.

3. Michael Tomasick, a licensed Real Estate Salesperson for Home Towne Real Estate, acted as the listing and selling agent in this transaction. Sherri L. Turner and Michael W. Benton, both licensed real estate salespersons affiliated with Home Towne Real Estate at the time of the transaction, acted as the buyer's agent and prepared the contract of sale. Sherri L. Turner and Michael W. Benton failed to obtain the required dual agency consent form. Respondent failed to exercise reasonable and adequate supervision over the activities of her salespersons to ensure the dual agency consent form was included with the contract of sale.

4. The Respondent admits that her conduct violated COMAR 09.11.05.02-A which provides:

**CODE OF MARYLAND REGULATIONS**

**Title 09 Department of Labor Licensing and Regulation  
Subtitle 11 Real Estate Commission  
Chapter 05 Supervision**

*.02 Requirement of Supervision.*

A. A broker shall exercise reasonable and adequate supervision over the activities of the broker's associate brokers and salespersons.

5. The Respondent and the Claimant, by entering into the Consent Order and Settlement Agreement, expressly waive the right to an administrative hearing, the making of Findings of Fact and Conclusions of Law, any and all further proceedings before the Commission to which they may be entitled in this matter and any rights to appeal from the Commission's Order.

6. The Respondent consents to the entry of an Order that her conduct violated COMAR 09.11.05.02-A, she agrees to attend a three hour continuing education class on real estate contracts within three months of the execution of this Consent Order and Settlement Agreement beyond the continuing education requirements found in BOP § 17-315, and she consents to the imposition of a Reprimand against her real estate salesperson license registration number 01-96690. In addition, Respondent agrees that in order to resolve the Guaranty Fund claim, she is jointly and severally liable along with Michael W. Benton (license registration number 05-532525) and Sheri L. Turner (license registration number 05-610396) to pay the sum of \$7,600 to Amber Dixon within fourteen (14) days of the execution of this Consent Order and Settlement Agreement.

7. The payment shall be delivered to Hope M. Sachs, Assistant Attorney General, Department of Labor, Licensing and Regulation, 500 N. Calvert Street, Suite 406, Baltimore, Maryland, 21202, who shall forward the payment to the Claimant upon receipt of a written request from Claimant dismissing with prejudice, her Guaranty Fund claim.

8. If the Respondent does not complete the required class within the proscribed three month period, the Respondent's license registration number 01-96690 shall be automatically suspended by the Commission and shall continue to be suspended until such time as the required class is completed.

9. If Amber Dixon is not paid \$7,600 within fourteen (14) days of the execution of this Consent Order and Settlement Agreement, the Respondent's license registration number 01-96690 shall be automatically suspended by the Commission and shall continue to be suspended until such time as payment is made. The Respondent further agrees that the Claimant shall be entitled to a hearing on her Guaranty Fund claim.

**BASED ON THESE AGREEMENTS AND STIPULATIONS, IT IS THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2010 BY THE MARYLAND REAL ESTATE COMMISSION:**

**ORDERED** that the Respondent's conduct violated COMAR 09.11.05.02-A; and it is further

**ORDERED** that the Respondent must attend a three hour continuing education class on real estate contracts within three months of the execution of this Consent Order and Settlement Agreement beyond the continuing education requirements found in BOP § 17-315; and it is further

**ORDERED** that Amber Dixon be paid \$7,600 within fourteen (14) days of the execution of this Consent Order and Settlement Agreement; and it is further

**ORDERED** that the Respondent have a Reprimand placed against her real estate salespersons license registration number 01-96690; and it is further

**ORDERED** that the Commission's records and publications reflect the violation and penalty imposed on the Respondent.

MARYLAND REAL ESTATE COMMISSION:

Date 11/22/10



By: 

(COMMISSIONER'S SIGNATURE APPEARS ON ORIGINAL ORDER)

AGREED:

Date 11/17/2010

Karen L. Torres, Respondent

 (CLAIMANT'S SIGNATURE APPEARS ON ORIGINAL ORDER) 

Amber Dixon, Claimant

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MARYLAND REAL ESTATE COMMISSION:

Date

AGREED:

11/18/2010

Date

11/17/2010

Date

By:

RESPONDENT'S SIGNATURE APPEARS ON ORIGINAL ORDER

(CLAIMANT'S SIGNATURE APPEARS ON ORIGINAL ORDER)