

An Inactive License

Due to the state of emergency arising from COVID-19, the Department of Professional and Occupational Regulation (“DPOR”) extended the validity of licenses that would otherwise expire during this time and extended the eligibility for renewal during the state of emergency under applicable regulations until 30 days after the state of emergency is lifted. You should try to complete all necessary CE during this time, renew online if possible, and be prepared to submit any information needed by VREB once the state of emergency is lifted.

Because this may affect your renewal dates, it remains imperative that you know the status of your real estate license, when it is set to expire, and whether or not it is active or inactive. This case study looks at what happens when an agent practices with an inactive license.

THE SITUATION:

The Board received a written complaint from Beach Realty, Inc. concerning their agent, Ms. Evangeline DeLuca.

Ms. DeLuca received her real estate license on February 10, 2015.

THE INVESTIGATION:

Investigators learned that Ms. DeLuca’s real estate license was placed on inactive status by the Real Estate Board in July 2018. On March 18, 2019, Ms. DeLuca completed a continuing education course for the reactivation of her license. On April 22, 2019, Ms. DeLuca attempted to complete an online application to reactivate her license. However, she reported that she received an error message from DPOR’s website that prevented her from being able to submit the application. She was unable to resolve the issue because it was after the Department’s business hours.

On April 23, 2019, Ms. DeLuca viewed the model home for a development in Virginia Beach, and subsequently signed a Purchase Agreement. On the purchase agreement, Ms. DeLuca was identified as both the Buyer and the Buyer’s Agent.

Ms. DeLuca told investigators that she “should have waited” until her license was active to sign the contract, and reported that “the pressure to not lose that particular home” made her decide to sign it. She also reported that she signed the contract as the Buyer’s Agent because the listing agent said it was okay, and she wanted to apply the agent commission to her down payment for the property.

On April 24, 2019, the contract was ratified, and Ms. DeLuca successfully submitted her application to reactivate her license. On April 25, Ms. DeLuca’s real estate salesperson license became active with Beach Realty, Inc.

THE RESULT:

The Board determined that Ms. DeLuca failed to act as a real estate salesperson in such a manner as to safeguard the interests of the public when she practiced real estate with an inactive license by entering into a contract as a Buyer’s Agent. The Board issued a fine of \$750 and required her to complete three classroom hours of continuing education pertaining to legal updates.