

**BEFORE THE MARYLAND REAL ESTATE COMMISSION**

**MARYLAND REAL ESTATE  
COMMISSION**

**v.**

**MICHAEL GUZMAN  
Respondent**

**And**

**CLAIMS OF MONICA REYES  
AND MARIA HABACON  
AGAINST THE MARYLAND  
REAL ESTATE GUARANTY  
FUND**

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\* **CASE NO. 2009-RE-209**

\* **CASE NO. 2009-RE-210**

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\* **OAH NO. DLR-REC-24-11-41693**

\* **OAH NO. DLR-REC-24-11-41687**

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**OPINION AND FINAL ORDER**

This matter came before the Maryland Real Estate Commission (“Commission”) on argument on Exceptions filed by the Respondent, Michael Guzman, to the Proposed Order of August 14, 2012. On May 29, 2012, Administrative Law Judge Zuberi Bakari Williams (“ALJ”) filed a Recommended Decision and Recommended Order in which he recommended that the Commission order as follows:

- “1. The Commission’s charges against the Respondent, under Business Occupations Article and Professions Article (sic) §§17-322(b)(25), (30) (32) and (33), §17-530(b)(1) and (2), and § 17-532(g), as well as COMAR 09.11.02.01H, are affirmed.
2. The Respondent shall pay the Commission \$3,780.00.
3. The Respondent’s license shall be suspended for 14 days.
4. The Fund shall pay the Claimants a total of \$3,260.00 (collectively).
5. The Respondent shall be ineligible for a real estate license until he

reimburses the Fund for the full amount of the award paid to the Claimants by the Fund, plus annual interest of at least ten percent; and

6. The Commission's records and publications shall reflect this final decision."

On August 14, 2012, the Commission issued a Proposed Order that affirmed the ALJ's Findings of Fact and affirmed the ALJ's Conclusions of Law. In its Proposed Order, the Commission amended the Recommended Order of the ALJ as follows:

"ORDERED that the Respondent Michael Guzman violated Md. Bus. Occ. and Prof. Art. § 17-322 (b) (25), (30), (32), and (33); 17-530 (b) (1) and (2); 17-532 (g), and COMAR 09.11.02.01H;

ORDERED that all real estate licenses held by the Respondent Michael Guzman shall be suspended for fourteen days;

ORDERED that the Respondent Michael Guzman shall be assessed a civil penalty in the amount of \$3,780.00, which shall be paid to the Real Estate Commission within thirty (30) days of the date of this Proposed Order;

ORDERED that the Claimants Monica Reyes and Maria Habacon be reimbursed from the Maryland Real Estate Guaranty Fund in the amount of \$3,260.00 (collectively);

ORDERED that all real estate licenses held by the Respondent Michael Guzman shall be suspended until the civil penalty is paid in full, and the Maryland Real Estate Guaranty Fund is reimbursed, including any interest that is payable under the law, and that this suspension is in addition to the disciplinary suspension;

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

The Commission found, pursuant to § 10-220 of the State Government Article, that the Recommended Decision of the ALJ had to be modified to provide a time period within which the civil penalty must be paid, and to provide that all real estate licenses held by the Respondent would be suspended until the civil penalty is paid in full and the Guaranty Fund is reimbursed.

A hearing on the Exceptions filed by the Respondent was held by a panel of Commissioners, consisting of Commissioners Anne S. Cooke, Georgiana Tyler, and Robin Pirtle on November 28, 2012. Jessica Berman Kaufman, Assistant Attorney General, represented the Commission. The Respondent was present and was represented by Alan R. Engel, Esquire and Nichole A. Smith, Esquire. The Claimants, Monica Reyes and Maria Habacon, were also present. A transcript of the hearing before the ALJ was not provided to the Commission. The proceedings were electronically recorded.

#### **SUMMARY OF THE EVIDENCE**

On behalf of the Commission, four exhibits, as well as the Office of Administrative Hearings' file containing the exhibits admitted at the hearing before the ALJ, were entered into the Exceptions' hearing record.

#### **PRELIMINARY MATTERS**

. The Commission notes that the ALJ concluded that the Respondent had violated Md. Bus. Occ. and Prof. Art., § 17-533 (g), by failing to enter into a brokerage agreement to act as an exclusive buyer's agent before presenting an offer to the Claimants. (See Conclusion of Law number 7. of the ALJ's Recommended Decision.) The statutory citation in Conclusion of Law number 7. is correct based upon the explanation of the violation. However, in the ALJ's Recommended Order and in the Commission's

Proposed Order, the violation was erroneously cited as Md. Bus. Occ. and Prof. Art., § 17-532 (g).

In addition, the ALJ concluded that the Maryland Real Estate Guaranty Fund (“Fund”) should pay the Claimants \$3,280.00 for actual losses suffered as a result of the misconduct of the Respondent. (See Conclusion of Law number 11. of the ALJ’s Recommended Decision.) This amount is consistent with the ALJ’s discussion of the total actual losses which he found the Claimants had sustained. (See page 16. of the ALJ’s Recommended Decision. However, in the ALJ’s Recommended Order and in the Commission’s Proposed Order, it is erroneously recommended and proposed that the Fund pay the Claimants (collectively), a total of \$3,260.00.

The Commission, therefore amends its Proposed Order as follows:

“ . . . . .

C. That the Recommended Order be, and hererby is, AMENDED, as follows:

ORDERED that the Respondent Michael Guzman violated Md. Bus. Occ. and Prof. Art., § 17-322 (b) (25), (30), (32), and (33); § 17-530 (b) (1) and (2); § 17-533 (g), and COMAR 09.11.02.01H;

ORDERED that all real estate licenses held by the Respondent Michael Guzman shall be suspended for fourteen days;

ORDERED that the Respondent Michael Guzman shall be assessed a civil penalty in the amount of \$3,780.00, which shall be paid to the Real Estate Commission within thirty (30) days of the date of this Proposed Order;

ORDERED that the Claimants Monica Reyes and Maria Habacon be reimbursed from the Maryland Real Estate Guaranty Fund in the amount of \$3,280.00 (collectively);

ORDERED that all real estate licenses held by the Respondent Michael Guzman shall be suspended until the civil penalty is paid in full, and the Maryland Real Estate Guaranty Fund is reimbursed, including any interest that is payable under the law, and that this suspension is in addition to the disciplinary suspension;

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

. . . .”

### **FINDINGS OF FACT**

The Commission adopts the Findings of Fact recommended by the ALJ.

### **DISCUSSION**

At all relevant times, the Respondent was a licensed real estate broker. FF 1<sup>1</sup>. The Respondent has been licensed since January 8, 2007 and has no previous complaints against him on the record. FF 1. In April 2008, the Claimants were interested in purchasing a house together. FF 2. The Claimants, who are Filipino, wanted to work with a real estate agent who was also Filipino because they wished to avoid language barriers and work with someone who they could trust. FF 3. The Respondent was referred to the Claimants by a car salesman who had previously helped Ms. Reyes repair her vehicle. FF 4.

In April 2008, the Respondent met the Claimants at their residence and discussed the purchase of a house. FF 5. The Respondent did not offer, and the Claimants did not sign, a buyer broker agreement or any other representation form. FF 6. The Respondent

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<sup>1</sup> “FF” refers to the ALJ’s Findings of Fact.

told the Claimants that he could show them houses but first they needed to look at their finances. FF 7. The Respondent took the Claimants to Financial Securities Consultants to determine if they were capable of purchasing a house and whether they were eligible for certain teacher program discounts. FF 8.

The Respondent showed the Claimants a couple of houses. FF 9. Claimant Habacon located a house, in which the Claimants were interested, that was being sold by Ryland Homes. FF 10. The house was located at 9813 Briggs Road, Middle River, Baltimore, Maryland 21220 (the "Property"). FF 10. The Claimants told the Respondent about the Property and their desire to purchase it. FF 10.

The listing price for the Property was \$255,990.00. FF 11. The Respondent told the Claimants that this price was a "good" price and not to try and negotiate. FF 11. The Claimants relied on the Respondent's advice and decided to purchase the Property at the list price. FF 11.

On May 2, 2008, the Claimants signed an Agreement of Sale (the "Agreement") with Ryland Homes for a total purchase price of \$255,990.00. FF 12. The Respondent was present at the time the Agreement was signed. FF. 12. The Agreement contained two riders: The first rider stated that Ryland Homes would pay \$15,500.00 as a settlement credit, provide a grant to the buyer of \$7,680.00 for down payment assistance, and provide options totaling \$26,250.00 at no cost to the Claimants. The second rider stated that Fairfax Realty, with the Respondent as its agent, would receive \$7,680.00 in commission after settlement. FF 13. That same day, the Claimants paid a deposit of \$2,500.00 to purchase the Property. FF 14. Settlement on the Property was set for September 26, 2008. FF 15. The Respondent offered to give the Claimants \$280.00

toward their home inspection and offered to give the Claimants \$500.00 toward the interior design options. FF 16, 17.

In August 2008, a representative from Ryland Homes contacted the Claimants to set the interest rate for their mortgage loan at 7%. FF 18. Claimant Habacon contacted the Respondent who told her that it was a good rate, to accept it, and two months later she could refinance the loan and get a 5.5% interest rate. FF 18. The Respondent also told the Claimants that he would give them the difference between the 7% and 6% interest rate until they refinanced the Property. FF 18. This agreement was not reduced to writing. FF. 18. The Claimants relied on the Respondent's statements and accepted the 7% interest rate. FF 18.

In September 2008, before the settlement date, the Claimants learned that a friend had purchased a similar house for \$255,900.00 and received a 5.75% interest rate. FF 19. The Claimants contacted the Respondent to complain about the interest rate differential. FF 20. The Respondent and Claimants collectively contacted Ryland Homes to get a reduction in the price, interest rate, or both. FF 20. Ryland refused to make a reduction. FF 20. The Claimants refused to purchase the Property and did not show up at the September 26, 2008 settlement. FF 21. Ryland Homes changed its mind and reduced the interest rate from 7% to 6% and a second settlement was set for September 30, 2008. FF 22.

On September 30, 2008, the Claimants and Respondent met with Ryland Homes to settle on the house. FF 23. At this meeting, the Claimants were still unsatisfied with the interest rate and the purchase price. FF 23. The Claimants requested a reduction of the purchase price to \$240,000.00 and the interest rate to 4%. FF 23. Ryland Homes

refused to make any more reductions and threatened to sue the Claimants. FF 23. The Claimants walked out of the settlement. FF 23.

After the second failed settlement, the Respondent told the Claimants that he would give them the \$5,000.00 difference if they would agree to settle. FF 24. The Claimants agreed but the agreement was not reduced to writing. FF 24.

A third settlement was set for October 6, 2008. On October 6, 2008, at the settlement, the Claimants and the Respondent learned that the contract sales price had been reduced to \$250,314.00. FF 26. The Claimants received \$2,500.00 in cash at the settlement. FF 27. The Claimants settled on the Property. FF 28.

After the settlement was completed, the Respondent told the Claimants that, because there was a reduction in the contract sales price, he would not pay them the \$5,000.00. FF 29. Claimant Habacon became angry and the Respondent then signed a promissory note stating that he would give her a commission rebate of \$3,000.00. FF 29. The Respondent received a commission of \$7,680.00. FF 30. The Claimants never received a \$3,000.00 commission rebate, \$250.00 towards the home inspection, nor \$500.00 toward design options from the Respondent. FF 31. On October 4, 2009, the Claimants filed a complaint with the Commission and a claim against the Maryland Real Estate Commission Guaranty Fund ("Fund"). FF 32.

### **Violations of Statutes and Regulations**

In accordance with the provisions of Md. Bus. Occ. and Prof. Art. § 17-322(b):

“(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 dealing;

. . .

(30) fails to make the disclosure or provide the consent form required by § 17-530 of this title;

. . .

(31) violates any other provision of this title;

. . .

(32) violates any regulation adopted under this title or any provision of the code of ethics[.]”

A licensee of the Commission is required to comply with the following:

**Md. Bus. Occ. and Prof. Art., § 17-533(g):**

. . .

(g) Before the licensee may present an offer to purchase or lease or negotiate the purchase or lease of real estate, the presumed buyer’s or lessee’s agency must be terminated and the buyer or lessee and the licensee shall enter into a brokerage agreement for that licensee to act as an exclusive buyer’s or lessee’s agent or as an intra-company agent for the buyer or lessee.

**Md. Bus. Occ. and Prof. Art., § 17-530(b):**

. . .

(1) A licensee who participates in a residential real estate transaction as a seller’s agent, buyer’s agent, or as a cooperating agent shall disclose in writing that the licensee represents the seller or lessor or the buyer or lessee.

(2) The disclosure shall occur not later than the first scheduled face-to-face contact with the seller or lessor or the buyer or lessee.

**Code of Maryland Regulations (“COMAR”) 09.11.02.01H:**

H. For the protection of all parties with whom the licensee deals, the licensee

shall see to it that financial obligations and commitments regarding real estate transactions are in writing, expressing the exact agreement of the parties, and that copies of these agreements are placed in the hands of all parties involved within a reasonable time after the agreements are executed.

Having considered the evidence presented at the hearing before the ALJ and the arguments presented at the Exceptions' hearing by counsel for the Respondent and the Commission, as well as by the Claimants, the Commission has reached the following conclusions:

It is undisputed that when the Respondent went to the Claimants' residence in April, 2008, to discuss the purchase of a home with them, he failed to disclose in written form whom he represented. The Respondent's failure, in his first face-to-face contact with the Claimants, to make this disclosure violated Md. Bus. Occ. and Prof. Art., § 17-530 (b) (1) and (2). This violation of Md. Bus. Occ. and Prof. Art., § 17-530 (b) (1) and (2) also constitutes a violation of Md. Bus. Occ. and Prof. Art., § 17-322 (b) (30).

It is also undisputed that the Respondent failed to provide the Claimants with a brokerage agreement setting forth his representation, the amount of compensation he would receive, his obligations in the transaction, the conditions or events which would entitle him to a commission or other compensation as well as other provisions required to be set forth in a brokerage agreement by Md. Bus. Occ. and Prof. Art., § 17-534 (b). The Respondent's failure to provide the Claimants with a brokerage agreement violated Md. Bus. Occ. and Prof. Art., § 17-533(g) and also constitutes a violation of Md. Bus. Occ. and Prof. Art. § 17-322 (b) (32).

The Respondent also violated his duty under COMAR 09.11.02.01H to reduce all financial obligations and commitments regarding real estate transactions to writing on three occasions: 1) when he promised the Claimants \$280.00 for the home inspection

and \$500.00 for design options; 2) when he promised to pay the Claimants the difference between the 6% and 7% interest rate until they refinanced the Property; and 3) when he promised the Claimants \$5,000.00 if they would agree to go to settlement. The Respondent's violation of his ethical duty under COMAR 09.11.02.01H also constitutes a violation of Md. Bus. Occ. and Prof. Art., § 17-322 (b) (33).

The Respondent's failure to provide the Claimants with the relationship disclosure form required by Md. Bus. Occ. and Prof. Art., § 17-530(b) (1) and (2) and his failure to provide a brokerage agreement during the entire course of his relationship with the Claimants demonstrates untrustworthiness. Further, the Respondent promised the Claimants that he would pay them \$280.00 for the home inspection and the \$5,000.00 difference between the contract sales price and the price the Claimants wanted to pay as a means to induce them to finally settle on the Property after two prior, unsuccessful attempts to settle. However, when the Respondent learned that Ryland Homes had reduced the contract price, he reneged on his verbal agreement and only agreed to sign a promissory note to pay \$3,000.00 instead after one of the Claimants became angry. The Commission concludes that the Respondent's refusal to pay the Claimants \$280.00 for the home inspection and the \$5,000.00 he had initially agreed to pay them and his failure to honor his later promise to pay the Claimants \$3,000.00, as evidenced by a promissory note, demonstrate bad faith on the part of the Respondent in his dealings with the Claimants. The Commission, therefore concludes that the Respondent violated Md. Bus. Occ. and Prof. Art., § 17-322 (b) (25).

Instead of or in addition to reprimanding, suspending or revoking a real estate license for the above cited violations, Md. Bus. Occ. and Prof. Art., § 17-322 (c) permits

the assessment of up to a \$5,000.00 penalty per violation. To determine the amount of the penalty to be imposed, the Commission is required to consider the following criteria:

- 1) the seriousness of the violation;
- 2) the harm caused by the violation;
- 3) the good faith of the licensee; and
- 4) any history of previous violations by the licensee.

Although the Respondent has no history of prior violations, the Commission finds that the violations in this case are serious. The Respondent failed to comply with basic statutory and ethical requirements imposed on all licensees of the Commission by failing to disclose to the Claimants who he represented; by failing to provide the Claimants with a brokerage agreement; by failing to commit to writing promises he had made to the Claimants in order to induce them to purchase the Property; and by failing to honor those promises. Although the Respondent's actions did not result in significant financial harm to the Claimants, the Respondent's conduct in this matter caused harm to the reputation of the real estate industry with the public. As discussed above, the Respondent's conduct in failing to provide the Claimants with the disclosure and representation forms required by law and in failing to pay the Claimants \$280.00 for the home inspection and the \$3,000.00 he agreed to pay them (as evidenced by a promissory note) demonstrates his lack of good faith.

The Commission concludes, based on an evaluation of the criteria noted above, that the appropriate disciplinary sanctions in this case are the suspension of all real estate licenses held by the Respondent for seven (7) days and the imposition of a \$2,000.00 civil penalty.

**Maryland Real Estate Guaranty Fund Claim**

Md. Bus. Occ. and Prof. Art., § 17-404 governs claims for reimbursement from the Fund and states, in pertinent part, as follows:

**§ 17 – 404**

(a)(1) Subject to the provisions of this subtitle, a person may recover compensation from the Guaranty Fund for an actual loss.

(2) 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;

. . .

(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.

COMAR 09.11.03.04 provides:

**.04 Claims Against the Guaranty Fund.**

A. A guaranty fund claim shall be based on the alleged misconduct of a licensee.

B. For the purpose of a guaranty fund claim, misconduct:

- (1) Is an action arising out of a real estate transaction involving real estate located in this State which causes actual loss by reason of theft or embezzlement of money or property, or money or property unlawfully obtained from a person by false pretense, artifice, trickery, or forgery, or by reason of fraud, misrepresentation, or deceit;
- (2) Is performed by an unlicensed employee of a real estate broker or by a duly licensed real estate broker, associate broker, or salesperson; and;
- (3) Involves conduct for which a license is required by Business Occupations and Professions Article, Title 17, Annotated Code of

Maryland.

COMAR 09.11.01.18 further provides:

**.18 Amount of Compensation Recoverable from Real Estate Guaranty Fund.**

The amount of compensation recoverable by a claimant from the Real Estate Guaranty Fund, pursuant to Business Occupations and Professions Article, Title 17, Subtitle 4, Real Estate Guaranty Fund, Annotated Code of Maryland, shall be restricted to the actual monetary loss incurred by the claimant, but may not include monetary losses other than the monetary loss from the originating transaction. Actual monetary losses may not include commissions owed to a licensee of this Commission acting in his capacity as either a principal or agent in a real estate transaction, or any attorney's fees the claimant may incur in pursuing or perfecting the claim against the guaranty fund.

The Claimants alleged that they had sustained a total actual loss of \$20,312.00

which they itemized as follows:

Promised design allowance	\$ 500.00
Interest differential	1,512.00
Refinancing Application	3,000.00
Commission rebate	5,000.00
Home inspection	300.00
Personal stress	10,000.00

The ALJ found most of the claims to be unsupported by credible evidence. Specifically, the ALJ found that the promised design allowance was a credit that could be applied to the Property itself concerning the difference interior design options and that it did not constitute an actual loss for the Claimants. In regard to the claim based on a n interest differential, the ALJ found that any promise by the Respondent of a lower interest rate was satisfied through negotiations with Ryland Homes and that to allow the Claimants to recover again on the interest differential would improperly permit them to get the same benefit twice. In regard to the refinancing application, the ALJ determined that no evidence was produced to support a finding that the Respondent had agreed to pay for the refinancing application. Further, the ALJ found that there was no testimony of

severe stress or medical evidence adduced that would support a claim of \$10,000.00 for personal stress. The Commission concurs with the ALJ's assessment that the Claimants failed to prove an actual loss which would be compensable from the Fund regarding a promised design allowance, the interest differential, the refinancing application, or personal stress.

The ALJ did find, based on testimony at the hearing, that the Respondent had promised to pay the Claimants \$280.00 toward the home inspection. The Commission concludes that the Respondent engaged in misconduct by misrepresenting to the Claimants, in a transaction related to real estate located in Maryland, that he would pay \$280.00 toward the home inspection but failing to do so. The Commission concurs with the ALJ's recommended decision that the Claimants had suffered a compensable actual loss in the amount of \$280.00.

The ALJ concluded that the Claimants were entitled to compensation from the Fund in the amount of \$3,000.00 (not the \$5,000.00 claimed) for a commission rebate. The ALJ found that the Claimants had agreed to accept a reduction in the Respondent's initial offer to pay them \$5,000.00 if they went to settlement and that the Respondent then signed a promissory note stating that he would give a commission rebate of \$3,000.00 but failed to do so. The Commission disagrees with the ALJ's conclusion in regard to the commission rebate. The Complaint and Guaranty Fund Claim filed in this case referred to the \$5,000.00 claim as a "commission rebate". (See Commission's Exhibit 1, page 10, entered into evidence at the hearing before the ALJ.) The promissory note in question is dated "10/06/08", is signed by the Respondent, and states, in pertinent part:

“1) As promised by Fairfax Realty, a broker credit of \$3,000 will be given back to Maria Carmina Habacon and Monica Sophia Reyes representing a commission rebate. . . .” (See Commission’s Exhibit 4, page 62 of attachments, entered into evidence at the hearing before the ALJ.)

COMAR 09.11.01.18 specifically prohibits the inclusion of commissions owed to a licensee when calculating actual monetary losses for the purpose of determining an appropriate award from the Fund. Therefore, the Commission concludes that the \$3,000.00 “commission rebate” does not constitute an actual monetary loss and is not compensable from the Fund.

Therefore, the Commission concludes, based on the evidence presented at the hearing before the ALJ and in consideration of the criteria to be considered in granting an award from the Fund, that the Claimants have established that they have sustained an actual loss of \$280.00 which is compensable from the Fund.

### **CONCLUSIONS OF LAW**

Based upon the ALJ’s Findings of Fact, which have been affirmed by the Commission, and the foregoing Discussion, the Commission concludes, as a matter of law, that:

1. The Respondent, Michael Guzman, failed to disclose, in written form, who he represented in his first face-to-face contact with the Claimants in violation of Md. Bus. Occ. and Prof. Art., § 17-530 (b) (1) and (2).

2. The Respondent’s violation of Md. Bus. Occ. and Prof. Art., § 17-530 (b) (1) and (2) also constitutes a violation of Md. Bus. Occ. and Prof. Art., § 17-322 (b) (30).



3. The Respondent, Michael Guzman, failed to provide the Claimants with a brokerage agreement in violation of Md. Bus. Occ. and Prof. Art., § 17- 533 (g).

4. The Respondent's violation of Md. Bus. Occ. and Prof. Art., § 17-533 (g) also constitutes a violation of Md. Bus. Occ. and Prof. Art., § 17-322 (b) (32).

5. The Respondent, Michael Guzman, violated COMAR 09.11.02.01H by failing to reduce all financial obligations and commitments regarding a real estate transaction to writing on three occasions.

6. The Respondent's violation of COMAR 09.11.02.01H also constitutes a violation of Md. Bus. Occ. and Prof. Art., § 17-322 (b) (33).

7. The Respondent, Michael Guzman, engaged in conduct that demonstrated bad faith and untrustworthiness in violation of Md. Bus. Occ. and Prof. Art., § 17-322 (b) (25).

8. The Respondent, Michael Guzman, is subject to sanctions for his conduct and a 7 day suspension of all real estate licenses which he holds and a \$2,000.00 civil penalty are appropriate sanctions. Md. Bus. Occ. and Prof. Art., § 17-322 (c).

9. The Claimants, Monica Reyes and Maria Habacon, have established an "actual loss", recoverable from the Maryland Real Estate Guaranty Fund, in the amount of \$280.00. Md. Bus. Occ. and Prof. Art., § 17-404.

### **ORDER**

The Exceptions of the Respondent, Michael Guzman, having been considered, it is this 25th day of February, 2013, by the Maryland Real Estate Commission,

**ORDERED:**

1. That the Respondent, Michael Guzman, violated Md. Bus. Occ. and Prof. Art., § 17-322 (b) (25), (30), (32) and (33); § 17-530 (b) (1) and (2); § 17-533 (g) and COMAR 09.11.02.01H;

2. That all real estate licenses held by the Respondent, Michael Guzman, be **SUSPENDED** for seven (7) days;

3. That the Respondent, Michael Guzman, be assessed a civil penalty in the amount of **Two Thousand Dollars (\$2,000.00)**, which shall be paid within thirty (30) days of the date of this Order;

4. That the claims of Monica Reyes and Maria Habacon against the Maryland Real Estate Guaranty Fund be **GRANTED** in the amount of **Two Hundred Eighty Dollars (\$280.00)**;

5. That all real estate licenses held by the Respondent, Michael Guzman, shall be **SUSPENDED** until the civil penalty is paid in full and the Guaranty Fund is repaid, including any interest that is payable under the law, and that this suspension is in addition to the seven (7) days disciplinary suspension; and

6. That the records and publications of the Maryland Real Estate Commission reflect this decision.

MARYLAND REAL ESTATE COMMISSION

SIGNATURE ON FILE

By: \_\_\_\_\_

**Note:** A judicial review of this Final Order may be sought in the Circuit Court of Maryland in which the Appellant resides or has his/her principal place of business, or in the Circuit Court for Baltimore City. A petition for judicial review must be filed with the court within 30 days after the mailing of this Order.