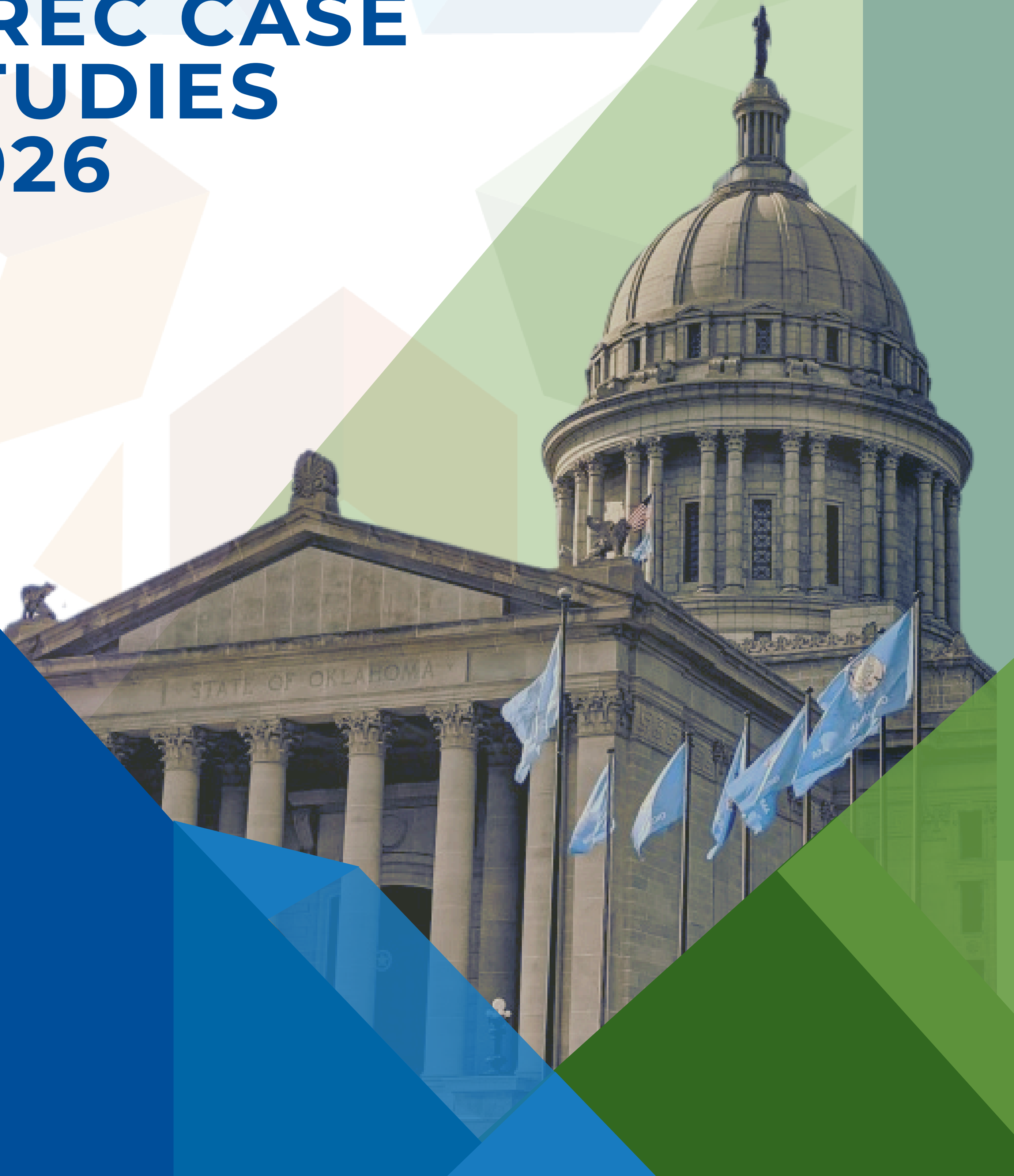
OKLAHOMA
Real Estate Commission

OREC CASE STUDIES 2026



PURPOSE

These case studies are provided by the Oklahoma Real Estate Commission (the "Commission") for educational purposes only. They are intended to help licensees and real estate educators recognize conduct that has led to disciplinary action and to encourage compliance with the Oklahoma Real Estate License Code and the Commission's Rules. Nothing in these materials is legal position, legal advice or a legal opinion, and nothing here creates any right, obligation, or defense. Licensees should consult the current Oklahoma Real Estate License Code (Title 59 O.S. § 858-101 et seq.) and the Commission's Rules (OAC Title 605), and their own broker or legal counsel, regarding any specific situation. Should any inconsistency be revealed between these materials and the Code, the Rules, or the underlying orders, the Code, Rules, and orders control.

ADDITIONAL RESOURCES

Additional educational materials can be found on the Oklahoma Real Estate Commission website: https://oklahoma.gov/orec.html under the “Resources” tab. These resources include but are not limited to the Oklahoma Real Estate Commission’s updated Code and Rule book, Compliance Guides, and Frequently Asked Questions. Should you have additional questions these resources are unable to answer you can contact us at help@orec.ok.gov.

DISCLAIMER

The summaries and takeaways are prepared for educational purposes. They paraphrase and generalize and are therefore not a substitute for the underlying final orders. Names of respondents, complainants, brokerages, and other parties, along with case numbers and other identifying details, have been omitted or generalized. These case studies are drawn from final orders adopted by the Commission with some entered by consent, others following a formal administrative hearing, or a combination of both, and each based on its own facts and circumstances. No adverse inference should be drawn against any party who was dismissed from a matter. The Commission makes no representation that these materials are complete or error-free, and they may be updated at any time.

I. UNTRUSTWORTHY AND DISHONEST CONDUCT

CASE STUDY #1

SUMMARY OF FACTS

Complainant, a prospective buyer, engaged Respondent, to act as the buyer's agent. The Respondent electronically signed multiple transaction documents on the Complainant's behalf without their permission. Additionally, Complainant stated they were unable to see the TRRs or other transaction forms and documents. The Respondent did not deliver the initial TRR to Complainant prior to its expiration. The Respondent provided altered documents to their broker. Also, the Respondent submitted altered documents to the Commission during its investigation of the initial complaint.

ISSUES

Did Respondent improperly sign documents on behalf of their client without their permission?

Did Respondent provide false evidence to the Oklahoma Real Estate Commission during its investigation?

HOLDING

Yes. Investigations found that Respondent electronically signed multiple transaction documents for the client without the client's permission. Investigations also found that Respondent's supervising brokers failed to supervise the activity of an associate.

Yes. Investigations discovered the signing certificates sent in had been altered. After being confronted, the Respondent sent in the original documents. Investigators found evidence that the Respondent had signed for clients without authorization.

DISCIPLINE

Sales Associate: Full Revocation of Real Estate License

Branch Broker and Managing Broker: One (1) Hour of CE in OREC Code and Rules each.

Sales Associate: $5,000 Administrative Fine

Branch Broker and Managing Broker: $350 Administrative Fine each

TAKEAWAYS

1. Do not sign as a client.

2. If you make a mistake, do not lie to the Commission.

CASE STUDY # 2

SUMMARY OF FACTS

The Commission received information that the Respondent had signed as their client without their client's permission on documents. One of the Respondent's clients had a job that required frequent travel, so they were unable to sign offers or contracts for long periods of time. The Respondent changed the MLS signing program settings to have the documents sent to their own email and they signed as their client on the documents. The signed documents were then forwarded to the client's lender. The client's lender sent a congratulations message to the client regarding the accepted contract, which the client recognized they had not signed.

ISSUES

Did Respondent improperly sign documents on behalf of their client without their permission?

HOLDING

Yes. After reviewing all relevant evidence, Investigators found that the Respondent violated Oklahoma real estate law by signing documents for clients without authorization. Respondent admitted that they electronically signed transactions documents without the client's express authority. The Commission found the Respondent's managing broker failed to adequately supervise the Respondent.

DISCIPLINE

Sales Associate: Suspension of Real Estate License for one (1) year

Sales Associate: $2,000 Admin Fine
Managing Broker: $750 Admin Fine

Three (3) Hours of CE in Contracts

*After this case, additional instances of signing for a client were brought to the Commission, resulting in a full surrender of Respondent's real estate license.

TAKEAWAYS

1. Do not sign as a client.
2. Ensure documents are delivered to the client.

CASE STUDY
3

SUMMARY OF FACTS

Complainant listed their property with Respondent during which time the property was under contract three separate times but none of them closed. The Complainant stated the first two contracts failed to close due to various issues the Respondent stated were on the part of other parties. The third contract failed because the Respondent failed to submit it to title. Respondent's managing broker stated the Respondent failed to provide information or contracts to the brokerage. The brokerage produced signing certificates, which showed Respondent electronically signed as multiple buyers/signors on the documents by setting their email address as that of the buyers/signors.

ISSUES

Did Respondent violate OREC Code and Rules by failing to remit the required paperwork to their brokerage and title company?

Did Respondent violate OREC Code and Rules when they signed as a party on the documents?

HOLDING

Yes. After reviewing all relevant evidence, investigations found that Respondent had violated Oklahoma real estate law by failing to submit documents to their brokerage and to the title company.

Yes. The Respondent's brokerage at the time sent signing certificate documents showing Respondent's email as signing for multiple buyers/signors.

DISCIPLINE

Full Surrender of Real Estate License

$3,000 Administrative Fine

TAKEAWAYS

1. Ensure required paperwork is submitted to brokerage and the title company.
2. Never sign documents for parties without authorization.

OKLAHOMA
Real Estate Commission

CASE STUDY
4

SUMMARY OF FACTS

The Complainant stated the Respondent, a licensee, wanted to buy Complainant's property. Due to prior issues with the land and litigation with the Respondent, the sellers did not want Respondent on the property. When the property was going to be sold, Respondent reached out to the buyer's agent with unverified "defects" that were not found during inspections or after closing. The Respondent utilized their access as a licensee to obtain the contact information of and engage with the buyer's agent despite repeated instruction from their broker to disengage.

ISSUES

Did Respondent violate OREC rules by reaching out to the buyer's agent with misleading information on the property?

Did Respondent misuse license by using their access as a licensee to obtain the contact information of the buyer's agent?

HOLDING

Yes. Investigations determined that Respondent engaged in a transaction they were not a party to after repeated instruction from their managing broker and brokerage to disengage.

Yes. Investigations also found the Respondent misused the access they have as a licensee to obtain contact information for the buyer's agent when they were not a party to the transaction. The alleged defects or issues were unverified in inspections and by the parties' review of the property.

DISCIPLINE

Suspension of Real Estate License for Three (3) Months

$4,000 Administrative Fine

Fifteen (15) Hours of CE

TAKEAWAYS

1. Do not misuse license and access to information provided through licensure.

2. Do not make misleading and/or unverified claims about a property.

II. HANDLING MONIES AND PROPERTY OF OTHERS & UNAUTHORIZED PROPERTY ACCESS

OKLAHOMA Real Estate Commission

CASE STUDY # 5

SUMMARY OF FACTS

Respondent worked as the property manager for Complainant's properties. The complaint alleges Respondent did not remit security deposits and rent proceeds after the property management agreement was terminated. Respondent would not turn the funds over to Complainant or confirm they were holding the funds. Later, Respondent gave Complainant a check for rent that was rejected by the bank for insufficient funds. After Complainant threatened to bring bogus check charges, Respondent stated they would replace it with a cashier's check. Respondent did not provide a check and failed to respond to the Complainant.

ISSUES

If Respondent failed to remit security deposits and rent proceeds after the property management agreement had been terminated, have they violated OREC rules?

Did Respondent improperly commingle trust funds with personal funds?

HOLDING

Yes. Investigations concluded Respondent failed to safeguard, account for, and remit funds belonging to others, and improperly commingled and diverted trust monies.

Yes. Bank records revealed a pattern of repeated transfers from trust account to Respondent's personal account. Financial activity reflected ongoing commingling and irregular disbursements.

DISCIPLINE

Full Surrender of Oklahoma Real Estate License

$3,000 Administrative Fine

TAKEAWAYS

1. Keep personal funds and trust accounts separate– have a system in place.
2. When a property agreement is terminated, the funds owed must be returned in a timely manner.

CASE STUDY
6

SUMMARY OF FACTS

Complainant alleged that Respondent failed to timely pay contractors for repairs and did not provide requested documentation after the management agreement was terminated. A second complaint alleged similar failures to remit funds and perform contractual duties. It was also discovered that Respondent did not have a registered trust account with the Commission. Respondent eventually reconciled the money owed contractors and Complainants.

ISSUES

Did Respondent Violate OREC code and rules because they did not have a registered trust account and commingled personal and business funds?

HOLDING

Yes. Investigations reviewed the relevant evidence and concluded that Respondent failed to register trust accounts with the Commission, failed to timely remit documents & monies, failed to conduct property management activities, and failed to properly maintain transaction documents. Further, Respondent had deposited a personal commission check into their "business account," and did not have a trust account open at the time of the complaints.

DISCIPLINE

$3,500 Administrative Fine

Fifteen (15) Hour Broker In Charge Course as additional Continuing Education

TAKEAWAYS

1. Keep personal funds and business funds separate. Ensure trust account is registered with the Commission.

2. Before taking on a client, make sure recordkeeping and banking policies are clearly defined.

OKLAHOMA
Real Estate Commission

CASE STUDY
7

SUMMARY OF FACTS

Complainant (seller's agent) alleged that Respondent (buyer's agent) allowed unauthorized entry into the seller's property by giving a client the code to enter the seller's property without authorization. The Respondent's client is on camera attempting to enter the door keypad code to access the property. About a month later, Respondent's client entered the home again without Respondent there to enter the keypad code. When Complainant arrived, the buyer and an HVAC technician were inside the home, and were the only people present. Respondent admitted to running late and giving the buyer the access code.

ISSUES

Did Respondent violate OREC rules by allowing their client to enter the seller's property without permission?

HOLDING

Yes. After reviewing all relevant evidence, Investigations found that Respondent violated OREC Code and Rules by allowing their client, a potential buyer, unauthorized access to the seller's home.

DISCIPLINE

- Sales Associate: $750 Administrative Fine
- Managing Broker: $350 Administrative Fine

TAKEAWAYS

1. Do not allow access to the owner's property without their authorization, even if it is for a limited amount of time.
2. Brokers are responsible for associates' actions, even when they are not directly involved in the transaction.

OKLAHOMA
Real Estate Commission

CASE STUDY
8

SUMMARY OF FACTS

Complainant alleged that Respondent gave an individual access to a seller's property without being present for a scheduled showing. Respondent admitted that they allowed the individual to enter using the lockbox because they were running late and trusted the individual. The investigation found that Respondent granted access to the property without proper authorization and that Respondent's managing broker failed to adequately supervise this conduct.

ISSUES

Did Respondent violate Commission requirements by providing an individual with access to a seller's property without the property owner's authorization?

HOLDING

Yes. Investigations found Respondent violated Commission Code and Rules by providing access to the property through the lockbox to an individual who was not accompanied by Respondent and without authorization from the property owner. Further, Respondent's managing broker failed to adequately supervise Respondent by failing to ensure that Respondent complied with applicable requirements governing access to and showings of a client's property.

DISCIPLINE

Sales Associate: $750 Administrative Fine

Managing Broker: $350 Administrative Fine

TAKEAWAYS

1. Never provide lockbox code access to a client, even if you know and trust them.

III. UNDISCLOSED INTERESTS AND RELATIONSHIPS

OKLAHOMA
Real Estate Commission

CASE STUDY
9

SUMMARY OF FACTS

The Complainant stated the Respondent failed to disclose a beneficial interest in the buying entity in a transaction involving the Complainant's listing. Respondent's managing broker was the owner of both the brokerage and the purchasing entity that entered into the contract for the property. The buyer failed to send the earnest money as the contract stated. The Respondent told Complainant the buyer was out of the country and not responding. Complainant later called Respondent and heard a voicemail greeting affiliating Respondent with the purchasing entity. This affiliation was not disclosed. The Respondent then stopped responding to the Complainant.

ISSUES

Is Respondent required to disclose that their managing broker owns the buying entity when acting as the seller's listing agent?

Did Respondent violate OREC Code and Rules by failing to ensure timely delivery of earnest money?

HOLDING

Yes. Investigations reviewed all relevant evidence and found that Respondent failed to disclose their affiliation with the buying entity since it is under common ownership with their brokerage. Respondent's broker was found to have failed to supervise the activities of their associate.

Although Respondent has no ownership interest in the purchasing entity, the relationship between Respondent and the buyer required a disclosure to the seller. Additionally, Respondent failed to ensure delivery of the earnest money.

DISCIPLINE

Managing Broker: $1,150 Administrative Fine

Sales Associate: $850 Administrative Fine

Managing Broker: Three (3) Hours of CE in OREC Code and Rules

Sales Associate: Three (3) Hours of CE in Broker Relationship Act

TAKEAWAYS

1. Brokers should implement a procedure for all affiliated-entity transactions to ensure that the correct disclosures have been made.

OKLAHOMA
Real Estate Commission

CASE STUDY
10

SUMMARY OF FACTS

Complainant stated that Respondent failed to disclose that they were married to the seller in the listing and sale of the property. The relationship was not disclosed in the contract documents or MLS, and Complainant stated they had to sign a supplemental disclosure before the seller would release the earnest money. The listings were later updated to reflect the relationship. Respondent admitted the omission and acknowledged that the limited-service nature of the listing did not excuse it. Respondent's managing broker knew of the personal relationship but did not confirm whether they were legally married.

ISSUES

Is Respondent required to disclose a relationship with a client in all advertisements and transaction documents even if it is a limited service listing?

Did the managing broker fail to adequately supervise the activity of their associate?

HOLDING

Yes. Investigations reviewed all relevant evidence and found that the limited-service arrangement did not relieve Respondent of the obligation to make required disclosures.

Yes. The managing broker was aware of the personal relationship but failed to confirm if they were legally married or ensure that the required relationship disclosure was made.

DISCIPLINE

Sales Associate: $1,000 Administrative Fine

Managing Broker: $850 Administrative Fine

Sales Associate: Six (6) Hours of CE in OREC Code and Rules

TAKEAWAYS

1. A limited-service listing does not suspend the duty to disclose a familial or marital relationship with a party. This disclosure requirement applies to both sides of the transaction.

OKLAHOMA Real Estate Commission

CASE STUDY # 11

SUMMARY OF FACTS

Respondent, a licensed real estate agent, listed a home owned through an LLC controlled by Respondent and acted as the listing agent for the property. Respondent disclosed their licensee status and ownership interest in the selling entity in the MLS advertisement but did not make the required disclosures in the transaction documents. Respondent's managing broker was found to have failed to adequately supervise Respondent.

ISSUES

Did Respondent fail to satisfy the disclosure requirements under the Code and Rules by disclosing their licensee status and ownership interest in the selling entity only in the MLS advertisement and not in the transaction documents?

HOLDING

Yes. Respondent failed to satisfy the required disclosure obligations by disclosing their licensee status and ownership interest in the selling entity only in the MLS advertisement and not in the transaction documents. Respondent's managing broker also failed to adequately supervise Respondent.

DISCIPLINE

Managing Broker: $750 Administrative Fine

Sales Associate: $750 Administrative Fine

Sales Associate: Three (3) Hours of CE in OREC Code and Rules and Three (3) Hours of CE in Broker Relationship Act

TAKEAWAYS

1. Licensees must disclose license status in writing in advertisements in a public-facing manner and in transaction documents.

IV. ADVERTISING ISSUES

OKLAHOMA
Real Estate Commission

CASE STUDY
12

SUMMARY OF FACTS

Respondent, the listing agent, listed a property valued at approximately $1,000,000 for less than $50 on the MLS. The complaint alleged that this listing price materially misrepresented the property's value and constituted misleading advertising. Respondent stated the listing price was selected after deliberations with the seller based on the property's unique history and was intended to encourage competitive bidding, not to mislead buyers. However, the listing was not marked as an auction and no starting bid was provided.

ISSUES

Did Respondent violate OREC Code and Rules by advertising a property below market value without disclaimers or safeguards?

Did Respondent fail to properly advise the seller regarding an appropriate pricing strategy using relevant comparable sales data ("comps")?

HOLDING

Yes. Investigations determined that Respondent's advertisement of the property for less than $50 without adequate disclaimers or structural safeguards misrepresented the property and misled the public.

Yes. Respondent acknowledged that the listing price was intended to encourage competitive bidding. However, the Respondent did not market the listing price as a starting bid. The price did not align with comps.

DISCIPLINE

$750 Administrative Fine

Three (3) Hours of Continuing Education in OREC Code and Rules

TAKEAWAYS

1. When advising a client on an appropriate pricing strategy, licensees should use relevant comparable sales data.

2. If a property is intended to be an auction that must be clarified in advertisement(s).

OKLAHOMA Real Estate Commission

CASE STUDY # 13

SUMMARY OF FACTS

Complainant alleged that Respondent advertised a duplex as recently updated with new appliances and renovated interiors, while the unit was in worse condition. Respondent stated that they relied on photographs and descriptions provided by the seller and property manager and, because the unit was tenant-occupied, did not independently verify its condition. The photographs used in the advertisement depicted a different unit, which had been recently renovated, while the unit being sold was in worse condition. Respondent acknowledged that they had not personally viewed all units before listing the property.

ISSUES

Does Respondent's advertisement of a property, using photographs depicting a different unit within the duplex without verifying the condition of the unit being advertised, violate OREC Code or Rules?

HOLDING

- Yes. The investigation found that Respondent's advertisement used photographs of a different unit in the duplex and therefore did not accurately depict the condition of the unit being advertised. Respondent's reliance on information provided by the seller and property manager did not relieve Respondent of the obligation to ensure that the advertisement was accurate.
- Respondent's managing broker failed to supervise the activity of their associate.

DISCIPLINE

Managing Broker: $850 Administrative Fine

Sales Associate: $1,500 Administrative Fine

Sales Associate: Two (2) Hours of CE in OREC Code and Rules

TAKEAWAYS

1. Confirm the condition of property prior to listing.
2. Become familiar with the property prior to advertising.

V. UNLICENSED ACTIVITY AND COOPERATION

CASE STUDY
14

SUMMARY OF FACTS

Complainant engaged Respondent to list their home. When the purchase contract was signed, the buyer was represented by an unlicensed agent. The Complainant alleges that Respondent assured them that the buyer's agent did not need an Oklahoma Real Estate License because they were a commercial agent. The unlicensed agent was unable to provide proof of an active Oklahoma real estate license when asked and could only provide an out-of-state license.

ISSUES

Does engaging in licensable activity while holding only an out-of-state real estate license, even if the individual did not receive a commission, constitute a violation of the Code and Rules?

Does cooperating with an unlicensed individual in connection with a real estate transaction constitute a violation of the Code and Rules for a selling agent?

HOLDING

Yes. Engaging in licensable activity in Oklahoma while holding only an out-of-state real estate license constituted a violation of the Code and Rules, even though the individual did not receive a commission for the activity. The absence of compensation did not change the licensable nature of the activity.

Yes. The Respondent violated the Code and Rules by cooperating with an unlicensed individual in connection with the transaction. The Respondent's managing broker failed to supervise the activities of an associate.

DISCIPLINE

Sales Associate: $ 1,500 Administrative Fine
Managing Broker: $850 Administrative Fine
Unlicensed Individual: $750 Administrative Fine

Sales Associate: Three (3) Hours of CE in OREC Code and Rules
Unlicensed Individual: One (1) Hour of CE in Broker Relationship Act, One (1) Hour of CE in OREC Code and Rules, and Six (6) Hours of CE in Contracts (Requirements for licensure)

TAKEAWAYS

1. Licensable activity may only be performed by actively licensed individuals, regardless of commission.

2. Licensees may not cooperate with unlicensed individuals.