

News & Media



A Closer Look at FREC Discipline

By Joel Maxson

Real estate licensees can be disciplined in a variety of forums, including criminal courts, administrative hearings, and local real estate boards. In the second of three articles, we'll focus on proceedings in front of the Florida Real Estate Commission (FREC).

ORLANDO, Fla. — FREC handles many tasks, like reviewing applications for licensure, reviewing escrow disbursement order requests, managing requests for payment from the real estate recovery fund, and much more. [This is the second in a series examining how misconduct](#) is addressed within Florida's real estate profession.

FREC consists of seven members who are appointed by the governor and confirmed by the Senate. Five are real estate licensees, and two are individuals who are not and have never been, real estate brokers or sales associates. The commission meets monthly in Orlando in opening hearings that can also be [watched online](#).

When it comes to disciplining licensees, FREC has a variety of options: education, reprimand, probation, administrative fines, license suspension or license revocation. When committee members deliberate about discipline, they look to a range of factors like harm to the public, prior disciplinary history, whether the action was intentional, whether funds were mishandled and whether the licensee cooperated with the process or provided mitigating information. The commissioners carefully weigh all the factors when deciding what discipline is appropriate, so it's important to note that the outcome of any specific case could vary based on any combination of these factors.

Some cases take place after a criminal case already concluded, as licensees are required to self-report after they plead guilty, plead nolo contendere or are convicted or found guilty of a crime. This applies to ANY crime in ANY jurisdiction, and the licensee has 30 days after the plea or

finding of guilt to report it to the Florida Department of Business and Professional Regulation (DBPR) by following [this link](#). Here are a few cautionary tales that involve criminal convictions or pleas:

- Licensee pled guilty to two felony convictions for wire fraud related to the payroll protection program (PPP loan) during the Covid pandemic – *license revoked*.
- Licensee pled nolo contendere (no contest) to driving under the influence and assault with a deadly weapon – *license revoked*.
- Licensee pled guilty to bank fraud and aggravated identity theft – *license revoked*.

Here are some other cases that led to revocation where there was no underlying crime. These cases involved license law violations that FREC takes very seriously:

- Deposit funds were missing, and the broker did not show up to the FREC meeting to offer any additional information – *license revoked*.
- A sales associate filed a lawsuit against a customer to attempt to recoup funds they believed belonged to their brokerage firm – *license revoked*.
- A sales associate received a deposit for a rental but failed to deliver it to the broker within one business day and didn't show up to present any mitigating evidence – *license revoked*.

Most cases don't result in revocation, so the summaries we looked at so far are extreme examples. Here are some cases where FREC listened to both sides and came up with discipline that fits all the evidence they read and heard:

- Licensee pled guilty to misdemeanor DUI – *\$250 fine*.
- Licensee had misleading information on her website and failed to respond when an investigator first reached out – *\$500 fine*.
- Licensee, acting as seller, paid an unlicensed person who brought a buyer, and there was some indication the unlicensed person claimed to be a broker – *\$250 fine*.
- Licensee failed to deliver a fully signed copy of the listing agreement when it got stuck in an archive folder – *\$500 fine*.
- Licensee gave buyers a lockbox code so they could conduct their own inspection – *\$2,000 fine and attendance at one future FREC meeting*.

Finally, some cases end up going in a licensee's favor. These aren't as common as the rest, but they do occur:

- Licensee was able to show that property management services provided were within the scope of a property management agreement that FREC determined involved no licensed real estate services – *case dismissed*.
- Licensee’s attorney was able to show that prosecutors alleged fraud, without including evidence of specific facts to support the claim – *case dismissed*.

One theme that comes up regularly during meetings is a broker’s statutory duty to supervise. It’s not unusual for FREC to ask an associate who violated a rule who their broker is and what supervision is in place to ensure the firm is complying with rules and regulations. Failure to supervise can be a separate charge, so brokers should ensure their business model is sound and has checks and balances that ensure tight supervision of the firm and its licensees.

Please note that these case summaries are extremely short and are designed solely as a snapshot of some cases that come before FREC. The commissioners diligently study the facts of each case, so there’s no guarantee that any case will turn out one way or the other. It’s illuminating to see them debate and deliberate all the angles to come up with fair and just outcomes under the circumstances. It’s also interesting to see how all the moving parts come together. In addition to the commissioners, staff keep things organized and moving, prosecutors from the DBPR play their role and FREC’s own counsel provides legal advice to the commissioners. Many members find attending these meetings helpful to understand the regulatory landscape, so anyone who would like to attend live or virtually can find information via [this link](#).

Joel Maxson is Associate General Counsel

Note: Information deemed accurate on date of publication

© 2026 Florida Realtors®