



Standards & Enforcement Services

Direct Line: (512) 936-3005

Facsimile: (512) 936-3809

January 3, 2012

Ryan Ken Gehris
430 Plum Creek Road
Bernville, Pennsylvania 19506
Via email: ryan@housepad.com

Housepad LLP
Ryan Ken Gehris, Designated Broker
430 Plum Creek Road
Bernville, Pennsylvania 19506
Via email: ryan@housepad.com

Re: Our File No. 120227

Dear Mr. Gehris:

This letter will serve to correct and replace our earlier letter copied to you on November 9, 2011. At this time we will be concluding our consideration of the above referenced complaint by issuing you this advisory letter. By copy of this letter, we also inform Sandra Dean, the person who filed a complaint against you and Housepad LLP, of our determination.

Although the Commission has elected not to proceed with formal administrative action against you, the facts and circumstance surrounding the complaint and additional information obtained supports our decision to review your obligations to comply with certain provisions of Chapter 1101 of the Texas Occupation Code (The Real Estate License Act or Act) and the Rules of the Commission (the Rules).

The complaint concerned a California company, Owners Advantage LLC d.b.a. owners.com (the Company). The Company offers sellers various services that include listing packages. The listing package in this case is chosen by a seller who pays the Company directly and the Company refers the seller to you for the listing. Although there is a listing agreement between you and a seller, your fee is paid by the Company who has collected this fee as a part of a larger fee charged to the seller by the Company.

We found no evidence that you pay, or are obligated to pay, the Company. Therefore you did not violate §1101.651(a) of the Act, as you did not pay a commission to or otherwise compensate the Company directly or indirectly. However, the evidence does support that the Company is conducting real estate brokerage services in Texas as it is offering listing packages to sellers for the sale of real property and being paid for the service. See §1101.002(1)(A)(iii)&(iv) of the Act.

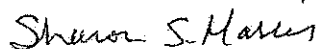
The fact that the services may be offered through a web site not maintained in Texas is not material. Pursuant to §535.4(a) of the Rules, "a person conducting [real estate] brokerage business from another state by mail, telephone, the internet, email or other medium is also considered acting within this state if all the prospective buyers, sellers, landlords, or tenants are legal residents of this state, and the real property concerned is located wholly or in part within this state." Further, §535.4(e) of the Rules provides that a license is required for a person "to solicit listings or to negotiate in Texas for listings."

Ryan Ken Gehris
Housepad LLP
January 3, 2012
Page 2

Therefore, your arrangement with the Company establishes your association with a business entity that is not a license holder and conducting real estate brokerage in Texas. Sections 1101.652(b)(26)&(27) of the Act provide that the Commission may take disciplinary action against a license holder if the license holder "establishes an association by employment or otherwise with a person other than a license holder if the person is expected or required to act as a license holder" and "aids, abets, or conspires" with another to circumvent The Real Estate License Act. We request you immediately cease your association with Owners Advantage LLC d.b.a. owners.com and all other businesses and/or persons similarly conducting unlicensed activity as described above. You may provide listing services to sellers who are referred to you by an unlicensed person or business entity, however, the unlicensed person or business entity cannot be paid directly or indirectly for the listing service and you cannot pay for the referred business. See §535.147 of the Rules.

While we anticipate no further action in this matter, we expect you to take note of our concerns and conduct all future real estate brokerage activities in compliance with the provisions of The Real Estate License Act and Rules. This advisory letter is being made a part of our records and could be taken into consideration should we receive future complaints of this nature.

Sincerely,



Sharon S. Harris
Attorney

cc: Sandra Dean
1009 Hamsted
Fort Worth, Texas 76115



Standards & Enforcement Services

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Facsimile: (512) 936-3809

January 4, 2012

Matthew Jerrod Lowry
903 N. Travis # A
Sherman, Texas 75090
Via email: mlowry7@gmail.com

Patricia Ann Lowry
903 N. Travis # A
Sherman, Texas 75090
Via email: pat.lowry@usa.net

Re: Our File No. 120236

Dear Patricia Ann Lowry and Matthew Jerrod Lowry:

At this time we will be concluding our consideration of the above referenced complaint filed by Sandra Dean by issuing you this advisory letter. By copy of this letter, we also inform Ms. Dean of our determination.

Although the Commission has elected not to proceed with formal administrative action against you, the facts and circumstance surrounding the complaint and additional information obtained supports our decision to review your obligations to comply with certain provisions of Chapter 1101 of the Texas Occupation Code (The Real Estate License Act or Act) and the Rules of the Commission (the Rules).

The complaint concerned in part a California company, Owners Advantage LLC d.b.a. owners.com (the Company). The Company offers sellers various services that include listing packages. The listing package in this case is chosen by a seller who pays the Company directly and the Company refers the seller to you for the listing. Although there is a listing agreement between you and a seller, your fee is paid by the Company who has collected this fee as a part of a larger fee charged to the seller by the Company. The provision for Broker's Fee in your listing agreements provided "Broker's Fee Contracted Through Owners.com."

We found no evidence that you pay, or are obligated to pay, the Company. Therefore, there is no evidence you violated §1101.651(a) of the Act, as you did not pay a commission to or otherwise compensate the Company directly or indirectly. However, the evidence does support that the Company is conducting real estate brokerage services in Texas as it is offering listing packages to sellers for the sale of real property and being paid for the service. See §1101.002(1)(A)(iii)&(iv) of the Act.

The fact that the services may be offered through a web site not maintained in Texas is not material. Pursuant to §535.4(a) of the Rules, "a person conducting [real estate] brokerage business from another state by mail, telephone, the internet, email or other medium is also considered acting within this state if all the prospective buyers, sellers, landlords, or tenants are legal residents of this state, and the real property concerned is located wholly or in part within this state." Further, §535.4(e) of the Rules provides that a license is required for a person "to solicit listings or to negotiate in Texas for listings."

Therefore, your arrangement with the Company establishes your association with a business entity that is not a license holder and conducting real estate brokerage in Texas. Sections 1101.652(b)(26)&(27) of the Act provide that the Commission may take disciplinary action against a license holder if the license holder "establishes an association by employment or otherwise with a person other than a license holder if the person is expected or required to act as a license holder" and "aids, abets, or conspires" with another to circumvent The Real Estate License Act. We acknowledge after notice of the complaint that you suspended your business dealings with the Company pending the review of this office. We request you continue to cease any association with Owners Advantage LLC d.b.a. owners.com and all other businesses and/or persons similarly conducting unlicensed activity as described above. You may provide listing services to sellers who are referred to you by an unlicensed person or business entity, however, the unlicensed person or business entity cannot be paid directly or indirectly for the listing service and you cannot pay for the referred business. See §535.147 of the Rules.

In addition, the complaint concerned your use of a business name Cutting Edge Realtors without filing the name with the Commission and the broker's information not included on the web site for the real estate brokerage business. We remind you that pursuant to the advertising rules of the Commission, §535.154, the Commission may take disciplinary action against a license holder if the license holder does not comply as follows:

(e) A broker, individually or as the designated officer, manager or partner of a business entity licensed as a broker shall notify the commission in writing within 30 days after the broker, or a salesperson sponsored by the broker, starts or stops using an assumed name in business other than the name in which the person is licensed;

(g) A broker or salesperson may not place an advertisement that in any way: (1) implies that a salesperson is the person responsible for the operation of a real estate brokerage business; and

(m) An advertisement containing an offer to rebate a portion of a licensee's commission must disclose that payment of the rebate is subject to the consent of the party the licensee represents in the transaction. If payment of the rebate is contingent upon a party's use of a selected service provider, the advertisement also must contain a disclosure that payment of the rebate is subject to restrictions.

We acknowledge on or about November 14, 2011, you notified the Commission of your use of the business name Cutting Edge Realtors and you had changed the web site for the business to reflect that Matthew Lowry is a sales associate and Patricia Lowry is the broker/owner. We anticipate that upon receipt of this letter when advertising rebates you will include the required disclosure noted above on the web site and all other advertisements.

Last, we address with you matters related to your branch office located in Krum, Texas and the minimum real estate brokerage services required pursuant to the Act. Pursuant to §1101.552 of the Act, a broker who maintains more than one place of business must obtain a branch office license for each additional office. Our records reflect your main office is in Sherman, Texas as addressed above and you have one branch office license for a office location in Denison, Texas. We do not reflect a branch office license for the location in Krum, Texas and you are advised to promptly obtain the required license for this location by using the Branch Office Application form found under the tab "Forms, Laws & Contracts" on our web site at: www.trec.texas.gov.

Further, The Real Estate License Act was amended September 1, 2005 to require under §1101.557(b) of the Act the following minimum services when a broker listed property for sale under an exclusive agreement with the seller:

- (1) may not instruct another broker to directly or indirectly violate Section 1101.652(b)(22);*
- (2) must inform the party if the broker receives material information related to a transaction to list, buy, sell, or lease the party's real estate, including the receipt of an offer by the broker; and*
- (3) shall, at a minimum, answer the party's questions and present any offer to or from the party.*

The Cutting Edge Realtor's web site reflects limited services for a flat fee and provides that the seller is responsible for "offering negotiations" and the broker will "not negotiate your offer." The advertisement may be considered misleading, a violation of §1101.652(b)(23) of the Act, and your conduct as an agent may not correctly reflect the minimum services required by §1101.557 the Act as noted above. We request your advertisements, listing agreements, multiple listing service information, and actual real estate brokerage services immediately are corrected to properly include, at minimum:

1. no instruction to another broker that suggests or instructs that broker to directly or indirectly negotiate with your client, a seller; and
2. as broker you will answer questions from your client, a seller, and in addition to presenting offers **to** your client, a seller, that you will present offers **from** the seller as well.

While we anticipate no further action in this matter, we expect you to take note of our concerns and conduct all future real estate brokerage activities in compliance with the provisions of The Real Estate License Act and Rules. This advisory letter is being made a part of our records and could be taken into consideration should we receive future complaints of this nature.

Sincerely,



Sharon S. Harris
Attorney

cc: Sandra Dean
1009 Hamsted
Fort Worth, Texas 76115

Master File No. 370599

Master File No. 475709



Standards & Enforcement Services

Direct Line: (512) 936-3005

Facsimile: (512) 936-3809

January 6, 2012

Owners Advantage LLC

d.b.a. Owners.com

Steve Udelson, Agent

595 Market Street, Suite 2210

San Francisco, CA 94105

CM:RRR No. 91 7108 2133 3939 1844 4688

(also send via regular mail)

Via email: steve@owners.com

Re: Our File No. 120677

Dear Mr. Udelson:

The Texas Real Estate Commission has opened a complaint against Owners Advantage LLC, d.b.a. Owners.com (the Company) based upon allegations of unlicensed real estate brokerage activities in Texas. The complaint alleges that the Company acted as or held itself out to be a licensed real estate broker in the state of Texas through its conduct offering consumers of real estate services various listing packages that may include real estate brokerage services. A copy of the related Company's web site is enclosed. Section 1101.351(a)(1) of the Texas Occupations Code provides that unless a person holds a license issued under this chapter, the person may not act as or represent that it is a broker or salesperson. Under the Texas Government Code §311.005, a "person" includes an organization, corporation or other legal entity.

The Commission has legal authority to pursue the following remedies for unlicensed real estate brokerage activity:

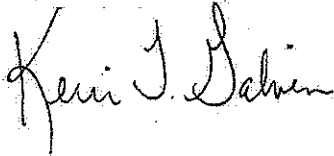
- Section 1101.702 TEX. OCC. CODE provides for administrative penalties not to exceed \$5,000.00 per violation for violations of Section 1101.351 TEX. OCC. CODE. Each day a violation occurs may be considered a separate violation for purposes of imposing a penalty.
- Section 1101.758 TEX. OCC. CODE provides that a person in violation of this section may be charged with a Class A misdemeanor, by a district or county attorney, punishable by up to one year in county jail and/or a fine not to exceed \$4,000.00.
- Section 1101.752 TEX. OCC. CODE provides that the commission may seek an injunction to abate and temporarily or permanently enjoin the unlicensed activity.

We are requesting that Owners Advantage LLC, d.b.a. Owners.com immediately **CEASE AND DESIST** all activities considered to be the business of real estate brokerage as defined in Section 1101.002(1) TEX. OCC. CODE. Specifically, Subsection 1101.002(1)(A) defines a broker as "a person who, in exchange for a commission or other valuable consideration or with the expectation of receiving a commission or other valuable consideration, performs for another person one of the following acts: (iii) negotiates or attempts to negotiate the listing, sale, exchange, purchase, or lease of real estate; or (iv) lists or offers, attempts, or agrees to list real estate for sale, lease, or exchange." Notwithstanding the issuance of this Cease and Desist letter, the Commission may pursue all other remedies available to it under the law, including additional investigation of the complaint. In addition, this matter will be considered if the Company should later apply for a license with this agency.

Please provide a signed, written response to this office within 30 days of the date of this letter. Your response should include a description of any exemptions to licensure Owners Advantage LLC, d.b.a. Owners.com are claiming, along with copies of any supporting documentation, such as, but not limited to, decisions favorable to your position from other regulatory agencies or authority. Please note, that the fact that the services may be offered through a web site not maintained in Texas is not material. Pursuant to §535.4(a) of the Commission's Rules, "a person conducting [real estate] brokerage business from another state by mail, telephone, the internet, email or other medium is also considered acting within this state if all the prospective buyers, sellers, landlords, or tenants are legal residents of this state, and the real property concerned is located wholly or in part within this state." Further, §535.4(e) of the Rules provides that a license is required for a person "to solicit listings or to negotiate in Texas for listings."

It is important that you reference the file number above when communicating with our office.

Sincerely,



Kerri T. Galvin, Director
Standards & Enforcement Services

KTG: ssh
Enclosure

cc: Michael Christain
Attorney at Law
Via email: Michael@owners.com

Business Entity Detail

Data is updated weekly and is current as of Friday, December 16, 2011. It is not a complete or certified record of the entity.

Entity Name:	OWNERS ADVANTAGE, LLC
Entity Number:	200121910008
Date Filed:	07/31/2001
Status:	ACTIVE
Jurisdiction:	CALIFORNIA
Entity Address:	595 MARKET ST STE 2210
Entity City, State, Zip:	SAN FRANCISCO CA 94105
Agent for Service of Process:	STEVE UDELSON
Agent Address:	595 MARKET ST STE 2210
Agent City, State, Zip:	SAN FRANCISCO CA 94105

* Indicates the information is not contained in the California Secretary of State's database.

* **Note:** If the agent for service of process is a corporation, the address of the agent may be requested by ordering a status report.

- For information on checking or reserving a name, refer to [Name Availability](#).
- For information on ordering certificates, copies of documents and/or status reports or to request a more extensive search, refer to [Information Requests](#).
- For help with searching an entity name, refer to [Search Tips](#).
- For descriptions of the various fields and status types, refer to [Field Descriptions and Status Definitions](#).

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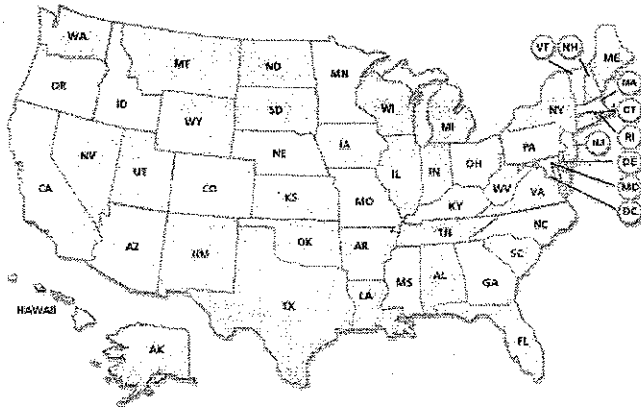


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Sell Your Home

List for **FREE** on the largest FSBO site
Our customers save an average of **\$9,562**

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Why List with Owners.com?

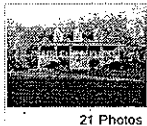
Top-Rated Service
96% of our customers rate our service as very good to excellent.

Risk-Free Guarantee
We offer a 100% money-back home selling guarantee on paid packages.

Helping Homeowners since 1996
We have helped over one million sellers save thousands in commissions.

Questions?
We're here to help!
Talk with us toll-free at (800) 475-7738.

Featured Homes For Sale By Owner



\$529,000
25 Kleine Kill Dr
New Paltz, NY
4 Bed, 3+ Bath Home

21 Photos



\$1,200,000
680 County Road 29
Abbeville, AL
7 Bed, 4 Bath Farm or Ranch

25 Photos



\$234,500
43 Yukon Cir
Bloomington, IL
3 Bed, 3 Bath Duplex

68 Photos

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Equal Housing Opportunity

About Owners.com

Founded in 1996, Owners.com empowers homeowners to take control of the home selling process. With our home selling services, consumers can sell a home by owner and save thousands in commission.

Largest For Sale By Owner (FSBO) Real Estate Website

Owners.com is a real estate website attracting millions of self-directed consumers looking to buy a home and sell a home without an agent. If you decide for sale by owner is right for you, selling a home using Owners.com can save you thousands of dollars in commission. Owners.com has the largest selection of FSBO homes on the Internet. In addition to FSBO homes for sale, we also feature foreclosures, land, vacation homes, new homes and rentals. Search homes for sale by entering a city or zip code in the form above. Search Homes By Owner

For Sale By Owner Home Selling Services

Owners.com offers several ways to help you sell your house without an agent ranging from basic to premium listing services that include yard signs, live expert support, contract review, brochure holders, lockboxes, Realtor.com and a flat fee Multiple Listing Service (Flat Fee MLS) option. Cornerstone MLS is a subsidiary of Owners.com offering flat fee mls listing services to homeowners whose primary goal is to list on the mls at the lowest possible price. Start with a free trial or compare our listing options to sell your home. Get more information on selling by owner by reviewing our home selling packages.

Home Selling and Home Buying Resources

Owners.com has partnered with industry leaders to provide buyers and sellers all the real estate services needed to buy a home and sell a home by owner. We provide the tools and resources needed including home appraisals to accurately price a home, real estate forms to document the sale of a home, moving companies to haul your stuff, lenders so you can compare current interest rates and much more.

Customer Login • New Listing Alerts



owners.com

City and State or Zip Code or Listing ID

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About Us

Owners.com is the original For Sale By Owner website – created to help homeowners sell or buy a house without paying for a full commission broker. We help our customers do many tasks themselves including marketing a home online, listing on the MLS, pricing a home and communicating with buyers. We believe homeowners should only pay for the services they need and that they can save thousands in commission on most home sales.

Customer Testimonials: Read what our customers say about us

Top-Rated Service

96% of our customers rate our service as very good to excellent.

Risk-Free Guarantee

We offer a 100% money-back home selling guarantee on paid packages.

Helping Homeowners since 1996

We have helped over one million sellers save thousands in commissions.

How the internet has Changed Real Estate

The Old Way: Hire a Realtor, pay 6% commission and trust them to sell your home or you could go it alone selling FSBO by placing a sign on your lawn, an ad in the local paper and hope buyers find you.

The New World: Thanks to the internet, things have changed in real estate. Finding buyers is all about getting seen online and now the FSBO seller can get the same exposure for their home that use to be exclusively available to Realtors. Tasks such as pricing, listing on the MLS, advertising and communicating with buyers all can be done without paying a commission. This is why 33% of Americans selling a home no longer use a full service Realtor. Instead they only pay for the services they need. Just like buying airline tickets or buying and selling stocks, consumers have learned they can save big by doing most real estate tasks online. Owners.com is here to help.

List Your Home FREE

List for Free on Owners.com®
Save thousands in commission
Reach local qualified buyers

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Or call us toll-free at (800) 475-7738

Questions?

Our expert team is available to help you list your home online.

Mon-Fri 9AM-8:30PM EST
Toll Free: (800) 475-7738

Tell us what you think about our website

Our History

Owners.com was launched in January 1996 and quickly became the largest directory of homes for sale by owner. In 2001, Owners.com was acquired by Owners Advantage, LLC and the business was expanded to offer for-sale-by-owner sellers the ability to add their homes to their local Multiple Listing Service for a fixed fee.

Today, Owners.com is the largest for-sale-by-owner and Flat-Fee MLS listing service nationwide. Owners.com has won numerous awards over the years including being the first real estate website named to PC Magazine's Top 100, Forbes' Best of the Web, Fast Company's Fast Forward Top List and best TV Commercial by Google's YouTube.

Offices

San Francisco (Headquarters)
595 Market Street, Suite 2210
San Francisco, CA 94105

Miami (Customer Service)
23123 SR 7, Suite 350B
Boca Raton, FL 33428

Properties

Owners.com
The Original FSBO website since 1996

CornerstoneMLS.com
Leading nationwide Flat Fee MLS listing service

Media Inquiries

We are happy to assist media with real estate stories and can provide executive interviews, market trend data and customer referrals. Owners.com is the original for-sale-by-owner listing service and our executives and staff have the deepest expertise in the industry.

For media requests please email us at press@owners.com or call (800) 475-7738 ext. 100

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- Photos on Owners.com®
- Printable color brochures
- Listing on Craigslist

Enhanced Owners.com features

- Listing on 20+ partner websites
- Highlighted in search results
- Live expert support
- Real-time visitor tracking

Listing on Realtor.com®

- Listing on REALTOR.com
- Listing on msn REAL ESTATE

Featured listing on Zillow + Yahoo

- Featured on Zillow + YAHOO! REAL ESTATE
- Highest priority in search results
- Featured listings on Zillow.com receive about 3x more traffic than standard listings

Listing on your local MLS

- Over 80% of all properties are sold through an MLS listing
- 4 out of 5 buyers use the MLS to find a home

Professional agent assistance

- Paperwork, pricing and closing support
- Contract review by a licensed agent
- Personal assistance from a local agent
- Comparable market analysis for pricing

	BASIC FSBO	PREMIUM FSBO	SHOWCASE	LOCAL MLS	AGENT ASSISTED
	FREE	\$79 one-time charge	\$295 one-time charge	\$395 one-time charge	\$695 one-time charge
	SELECT	SELECT	SELECT	SELECT	SELECT
	1 Photo	20 Photos	Unlimited	Unlimited	Unlimited
		6-month listing	active until sold	active until sold	active until sold
			6-month listing	6-month listing	12-month listing
			6-month listing	6-month listing	12-month listing
				6-month listing	12-month listing

Questions?

In 10 minutes we can walk you through your home selling options.

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Or Email Us

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