

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309

MINUTES
March 6, 2014

Commissioners present for all or part of the meeting:

Gail Fligel via telephone	Dennis Stolk
Carol Haines	Terry Duggan
Susan Sanders	Mike Telford
John Goede	

Commissioners absent:

None

Staff Present:

John Lundquist, Assistant Attorney General	Rod Reed, Bureau Chief
Dave Batts, Education Director	Colleen Goddard, Auditor
Jeff Evans, Executive Officer	Jill Simbro, Administrative Assistant
Sandy Malek, Investigator	

Members of the Public:

Paul McLaughlin; Mike Knapp; Joan Johnson; Kyra Bell; Doug Burnett; Brian Wentz; Jim Koolhof; Joel Aschbrenner; Nick Sarone

Call to Order

Sanders called the meeting to order at 9:10 a.m.
Quorum was established.

Motion by Duggan to approve the agenda.

Seconded by Goede.

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

A motion was made by Fligel to amend the February 6, 2014 minutes.

To have the minutes accurately reflect the discussion whether or not Sanders should or should not recuse from the discussion and vote on Petition for Rule Making re: 193E Iowa Administrative Code § 11.3(1).

Seconded by Stolk

VOTE: Aye: all Nay: none Abstaining: none

Motion by Telford to approve amended February 6, 2014 minutes.

Seconded by Duggan.

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

Motion by Telford, to approve the February 6, 2014 closed session minutes.

Seconded by Duggan.

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

Commissioner Reports

No reports.

Staff Reports

Lundquist reports he has been working on a case with the Iowa Gaming and Racing Commission. Also, Lundquist reported that a Petition for Judicial Review has been filed in Crawford County by Jane Pagel, through her attorney re: Findings of Fact, Conclusion of Law, Decision and Order entered by the Iowa Real Estate Commission on January 8, 2014.

Evans reported the application period for the Clerk Specialist position is now closed and there are approximately 75 applications to review before the interview process can begin.

Communications.

Motion made by Telford to deny waiver 14-04, which asked to waive 193E Iowa Administrative Code § 3.6(3) and the requirement that a broker who fails to reinstate an expired license by December 31 of the third year following expiration shall start over in the licensing process.

Seconded by Duggan.

VOTE: Aye: All Nay: none Abstaining: none

Motion passed unanimously.

Petition For Rule Making, 193E Iowa Administrative Code § 11.3(1)

A petition for rule making was received from Kyra C. Bell, Doug Burnett, and Brian Wentz asking to amend 193E Iowa Administrative Code § 11.3(1). The petition proposed, to better protect the public, to require that a specific written disclosure of the brokerage's policy regarding cooperation and compensation to other brokers that is made prior to a seller signing a listing agreement. Sanders announced that she does not intend to recuse herself from a vote because she feels she can make an unbiased decision regarding this rule. Discussion was held on what constituted full disclosure to the seller that a brokerage's policy may limit the participation of other brokerages in the sale of a property. Representatives from Iowa Realty, Keller Williams, the Iowa Association of Realtors, and a member from the public had an opportunity to express their concerns.

Motion made by Duggan to close public comment.

Seconded by Stolk.

VOTE: Aye: Duggan, Flagel, Haines, Sanders, Stolk, Telford Nay: Goede Abstaining: none

Motion passed.

Motion made by Flagel to deny Petition For Rule Making re: 193E Iowa Administrative Code § 11.3(1)

Seconded by Duggan.

VOTE: Aye: Haines, Goede, Duggan, Stolk, Flagel Nay: Sanders, Telford Abstaining: none

Motion passed.

ARELLO

Motion made by Telford to approve Evans, Duggan and Lundquist to attend the ARELLO Mid-Year Meeting April 9-12, 2014 in San Diego, CA.

Seconded by Stolk

Vote: Aye: Haines, Goede, Stolk, Flagel, Sanders, Telford Nay: None Abstaining: Duggan
Motion passed.

Public Comment

McLaughlin announced the Iowa Association of Realtors and their upcoming meetings dates: Broker Summit on April 15, 2014; Summer Meeting in Clear Lake is in June 2014.

Closed Session

Motion by Telford to enter into closed session pursuant to Iowa Code §21.5(1)(d), §21.5(1)(f), §21.5(a) and (d) and §21.5(1)(a) and §543B.52(1) to discuss informal settlements, consent agreements, and open cases.

Seconded by Haines.

VOTE: Roll call: Telford, aye; Flagel, aye; Haines, aye; Sanders, aye; Duggan, aye; Stolk, aye; Goede, aye.
Motion carried.

The Commission entered into closed session at 11:22 a.m. and arose there from at 11:47 a.m.

Open Session

Motion by Telford to return to open session.

Seconded by Haines.

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

Motion made by Haines to accept signed settlements and/or Consent Agreements for cases and to authorize the Chair, Vice Chair, or Executive Officer Evans to sign the accepted signed Settlement Agreements and/or Consent Agreements: 12-325, 13-139, 13-151, 13-215, 13-239, 13-247, 13-274, 13-277, 13-287, 14-003, and 14-019.

Seconded by Stolk.

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

Motion made by Telford to find probable cause and to authorize the Chair, Vice Chair, or Executive Officer Evans to sign the accepted signed settlements and/or consent agreements: 13-295.

Seconded by Haines.

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

Motion made by Haines to enter into a Consent Agreement, with Executive Officer signing on behalf of the Commission, and then issue licenses for the following case: 14-023, 14-028, 14-036, and 14-018.

Seconded by Stolk.

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

Motion made by Fligel to find probable cause on the following cases: 14-020, 14-022, 14-026, and 13-289.

Seconded by Stolk

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

Motion made by Haines to close the following cases: 13-284, 14-027, 14-029, and 14-032.

Seconded by Goede.

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

Motion made by Stolk to rescind the probable cause finding and close the following case: 13-223.

Seconded by Telford.

VOTE: Aye: all Nay: none Abstaining: none

Motion passed unanimously.

Meeting Schedule

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

Wednesday, April 2, 2014 (Sanders, Telford)

Wednesday, April 30, 2014 (Duggan, Stolk)

Wednesday, June 4

No July 2014 Meeting

Wednesday, August 6

Wednesday, September 3

Commission Meetings:

Thursday, April 3, 2014

Thursday, May 1, 2014

Thursday, June 5

No July 2014 Meeting

Thursday, August 7

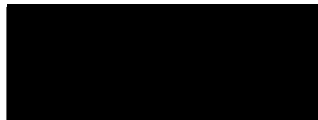
Thursday, September 4

Sanders adjourned the meeting at 11:52 a.m.

Respectfully submitted,

4-3-14

Date



By: Susan J. Sanders, Chair

**Iowa Real Estate Commission
Staff Report (For February 2014)
March 6, 2014 IREC Meeting**

Audits (Comparison of Average Percentages of Non-Compliance)

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
2007	17%	5%
2008	15%	4%
2009	33%	6%
2010	18%	5%
2011	15%	5%
2012	21%	5%
2013	11%	3%
2014	2%	0%

Background Checks

Average turn round time is approximately 27 days.

Complaints/Informal Settlement Agreements

43 complaints have been opened so far in 2014, with 26 opened in February.

Findings of Fact, Conclusions of Law, Decision and Order signed at February IREC Meeting: N/A

Informal Settlement Agreements Signed At February IREC Meeting: 15

Consent Agreements Entered Into At February IREC Meeting: 6

Cases Closed At February IREC Meeting: 9

License Denial At February IREC Meeting: 1

Licensing Totals

	<u>Firms</u>	<u>Brokers</u>		<u>Salespeople</u>	
		<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>
February 2014	1,196	3,363	435	5,179	1,210
February 2013	1,162	3,380	466	4,983	1,329

**Data gathered on the last working day of the month.*

Applications received (brokers and salespersons only):

7-1-05 thru 12-31-05	429
2006	1,275
2007	1,113
2008	861
2009	531
2010	604
2011	562
2012	625
2013	733
2014 YTD	169

Trust Account Audits

71 audits have been completed so far in 2014, with 25 conducted in the month of February.

Real Estate Education Director Report

Course Approvals	43
Course Denials	-
Instructor Approvals	22
Provider Approvals	2
Post Course Approvals	8
Post Course Denials	6
Pre Course Approvals	-
C.E. Audits Mailed	-
C.E. Audits Mailed (2 nd Notice)	11
C.E. Audits Reviewed	31
C.E. Course Class Audits	-
Exam in Lieu of CE Letter Sent	1
Complaint Cases Initiated	-