

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

MINUTES  
April 3, 2014

**Commissioners present for all or part of the meeting:**

Gail Flagel	Dennis Stolk
Carol Haines	Terry Duggan
Susan Sanders	Mike Telford
John Goede	

**Commissioners absent:**

None

**Staff Present:**

John Lundquist, Assistant Attorney General	Colleen Goddard, Auditor
Dave Batts, Education Director	Jill Simbro, Administrative Assistant
Jeff Evans, Executive Officer	Lori SchraderBachar, Site Manager
Sandy Malek, Investigator	

**Members of the Public:**

Paul McLaughlin

**Call to Order**

Sanders called the meeting to order at 9:02 a.m.  
Quorum was established.

**Motion by Flagel to approve the agenda.**

Seconded by Duggan.

VOTE: Aye: all            Nay: none            Abstaining: none

Motion passed unanimously.

**A motion was made by Goede to approve the open session and closed session March 6, 2014 minutes.**

Seconded by Stolk

VOTE: Aye: all            Nay: none            Abstaining: none

Motion passed unanimously.

**Motion by Haines to approve the March 27, 2014 open session minutes.**

Seconded by Stolk.

VOTE: Aye: all            Nay: none            Abstaining: none

Motion passed unanimously.

**Commissioner Reports**

None

**Staff Reports**

Lundquist indicated that the remaining balance of the Education Grant Fund was awarded to the REALTOR® Foundation of Iowa and thanked Batts and McLaughlin for their work on the process.

Batts reported that the balance of the Fund was around \$300,000.

SchraderBachar reported that the latest newsletter was sent out via e-mail two weeks ago. SchraderBachar also reported that the licensing specialist position has been filled and the new employee will begin her duties here on April 11<sup>th</sup>.

Evans thanked Malek and Simbro for the extra duties they assumed during the interim of replacing the licensing specialist. Evans reminded the Commission members to keep and turn in receipts for meals they have while on Commission travels for possible reimbursement. Evans announced that the two new Commission members are Janet DeMott and Helen Kimes and their terms commence on May 1, 2014. Evans also said that John Goede and Mike Telford have been re-appointed. Evans thanked both Sanders and Flagel for their years of service on the Commission.

**Communications.**

**Motion made by Telford to grant waiver 14-05, which asked to waive 193E Iowa Administrative Code § 4.3, by asking to waive the requirement for an applicant who passes a qualifying examination must file a completed application with license fee, proof of required education, and score report no later than the last working day of the sixth calendar month following the qualifying real estate examination. The Commission does require that all other licensing requirements, including payment of the applicable licensing fee is met, and application for licensure is made by no later than July 18, 2014.**

Seconded by Flagel.

VOTE: Aye: All            Nay: none            Abstaining: none

Motion passed unanimously.

**Motion made by Telford to grant waiver 14-06, which asked to waive 193E Iowa Administrative Code §§ 4.1(9) & 16.2(1), by asking to waive the requirement that a newly licensed salesperson complete the required sixty (60) classroom or computer-based hours of real estate principles and practices. Evidence of completion of 12 hours of Developing Professionalism and Ethical Practices, 12 hours of Buying Practices, and 12 hours of Listing Practices must be obtained at the time of the application for licensure.**

Seconded by Flagel.

VOTE: Aye: All            Nay: none            Abstaining: none

Motion passed unanimously.

**Motion made by Duggan to Adopt and File ARC 1347C re: 193E Iowa Administrative Code Chapters 22 & 23.**

Seconded by Haines.

VOTE: Aye: All            Nay: none            Abstaining: none

Motion passed unanimously.

**ARELLO**

**Motion made by Flagel to approve Evans, Duggan and Lundquist to attend the 2014 ARELLO District 2 & 3 Conference in Omaha, NE on June 3-5, 2014.**

Seconded by Stolk

Vote: Aye: All            Nay: None            Abstaining: Duggan

Motion passed.

**PRESENTATION**

Evans presented plaques of appreciation to Sanders and Flagel for their years of service on the Commission. Cake was served by staff.

**Public Comment**

McLaughlin discussed the legislative issues the IAR is following, specifically the bill that would allow first-time home buyers to set up a savings account to finance the purchase of a home and deduct a portion of this savings from their state income taxes.

**Formal Hearing**

A hearing was held before the Commission in Case 13-288. The respondent was not represented by legal counsel. The hearing was conducted by Administrative Law Laura Lockard and recorded by Peterson Court Reporting Service. The hearing was open to the public. The hearing commenced at 9:30 a.m. and ended at 10:05a.m.

**Closed Session**

**Motion made by Telford to go into closed session pursuant to Iowa Code Section 21.5(1)(f) to deliberate case 13-288.**

Seconded by Duggan.

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

Motion carried unanimously.

The Commission entered into closed session at 10:07 a.m. and arose there from at 10:10 a.m.

**Open Session**

**Motion made by Stolk to return to open session.**

Seconded by Haines.

VOTE: Aye: all            Nay: none            Abstaining: none

Motion passed unanimously.

**Motion made by Telford to direct Administrative Law Judge Lockard to prepare a written decision for Complaint Case 13-288 in accordance with the findings and deliberations discussed in closed session.**

Seconded by Stolk.

VOTE: Aye: all            Nay: none            Abstaining: none

Motion carried unanimously.

**Closed Session**

**Motion by Stolk to enter into closed session pursuant to Iowa Code §21.5(1)(a) & (d), and 272C.6(4) to review pending licensee discipline cases and investigations, including any cases ready for final resolution through closure or consent order.**

Seconded by Haines.

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

Motion carried.

The Commission entered into closed session at 10:20 a.m. and arose there from at 11:04 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 Flagel to accept signed settlements and/or consent agreements for cases and to authorize the Chair, Vice Chair, or Executive Officer Evans to sign accepted Consent Agreements: 13-251, 13-286, 13-294, 14-016, 14-020 and 14-026**

Seconded by Stolk.

VOTE: Aye: all            Nay: none            Abstaining: none

Motion passed unanimously.

**Motion made by Goede 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: 14-042**

Seconded by Haines.

VOTE: Aye: all            Nay: none            Abstaining: Stolk

Motion passed.

**Motion made by Telford to enter into a Consent Agreement, with Executive Officer signing on behalf of the Commission, and then issue licenses for the following case: 14-037, 14-044, 14-045, and 14-047**

Seconded by Haines.

VOTE: Aye: all            Nay: none            Abstaining: none

Motion passed unanimously.

**Motion made by Goede to find probable cause on the following cases: 13-279, 14-001, and 14-031**

Seconded by Stolk

VOTE: Aye: all            Nay: none            Abstaining: Sanders (Case 14-031), Stolk (14-001)

Motion passed.

**Motion made by Flagel to close the following cases: 14-005, 14-034, and 14-035**

Seconded by Stolk.

VOTE: Aye: all            Nay: none            Abstaining: none

Motion passed unanimously.

**Motion made by Telford to issue letter of pre-license determination based on information provided by Martin.**

Seconded by Haines.

VOTE: Aye: all      Nay: none      Abstaining: none

Motion passed unanimously.

**Meeting Schedule**

Future IREC meetings are tentatively scheduled as follows:

**Investigation Committee**

Wednesday, April 30, 2014 (Duggan, Stolk)

Tuesday, June 10, 2014

No July 2014 Meeting

Wednesday, August 6

Wednesday, September 3

**Commission Meetings:**

Thursday, May 1, 2014

Wednesday, June 11, 2014

No July 2014 Meeting

Thursday, August 7

Thursday, September 4

Sanders adjourned the meeting at 11:10 a.m.

Respectfully submitted,

5-1-14

Date

  
Chair

## Iowa Real Estate Commission Staff Report (For March 2014) April 3, 2014 IREC Meeting

### Audits (Comparison of Average Percentages of Non-Compliance)

<u>Year</u>	<u>E&amp;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	1%	0%

### Background Checks

Average turn round time is approximately 34 days.

### Complaints/Informal Settlement Agreements

49 complaints have been opened 2014 YTD, with 6 opened in March.

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

Informal Settlement Agreements Signed At March IREC Meeting: 12

Consent Agreements Entered Into At March IREC Meeting: 4

Cases Closed At March IREC Meeting: 5

License Denial At March IREC Meeting: N/A

### Licensing Totals

	<u>Firms</u>	<u>Brokers</u>		<u>Salespeople</u>	
		<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>
March 2014	1,202	3,428	443	5,224	1,233
March 2013	1,175	3,393	470	5,028	1,328

*\*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	245

### Trust Account Audits

98 audits have been completed so far in 2014, with 26 conducted in the month of March.

### Real Estate Education Director Report

Course Approvals	41
Course Denials	-
Instructor Approvals	31
Provider Approvals	4
Post Course Approvals	4
Post Course Denials	-
Pre Course Approvals	-
C.E. Audits Mailed	100
C.E. Audits Mailed (2 <sup>nd</sup> Notice)	-
C.E. Audits Reviewed	50
C.E. Course Class Audits	-
Exam in Lieu of CE Letter Sent	-
Complaint Cases Initiated	-