

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
February 5, 2015

Commissioners present for all or part of the meeting:

Terry Duggan, Chair
Dennis Stolk, Vice Chair
Carol Haines
Helen Kimes
John Goede (via phone)

Commissioners absent:

Jan DeMott
Michael Telford

Staff present for all or part of the meeting:

Jeff Evans, Executive Officer
John Lundquist, Assistant Attorney General
Sandy Malek, Investigator
Lori SchraderBachar, Site Manager
Jill Simbro, Education Director
Renee Paulsen, Licensing Specialist
Mary Chase, Background Coordinator
Colleen Goddard, Trust Account Auditor

Members of Public in attendance for all or part of the open session of the meeting:

Mark Gavin, IAR
Jim Gottschalk, Cornerstone Property Management Group
Gwenn Gottschalk, Cornerstone Property Management Group
Elizabeth Doerrfeld

Call to Order:

Duggan called the meeting to order at 9:07 a.m.
Quorum was established.

Motion by Haines to approve the agenda.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to approve the open session and the closed session December 4, 2014 minutes.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Haines to approve the open session and the closed session January 8, 2015 minutes.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports:

None

Staff Reports:

SchraderBachar mentioned that the next newsletter will be published in March; if Commission members have any articles they should submit them by February 6th to Evans. PLB is close to hiring a new licensing specialist for the Accountancy, the Engineering and the Interior Design boards.

Evans reminded the Commissioners to properly complete and sign their Per Diems and travel vouchers for their time and travel expenses while attending the meetings. Evans provided the Commissioners the IREC Staff Report for the months of December 2014 and January 2015. License renewals for 2014 are completed with 2,905 licenses renewing, while 767 have expired.

Communications:

After discussion, **Motion made by Stolk to grant waiver 15-01.** Elizabeth Doerrfeld, petitioner, spoke to the Commission requesting that she be able to utilize her out of state experience along with her Iowa experience to fulfill the 24 months of active salesperson experience that is required in order to obtain a broker's license. The petitioner asked the Commission for a waiver of 193E Iowa Administrative Code § 3.1(6) and the required 24-month active salesperson experience under a sponsoring broker to obtain an Iowa real estate broker's license.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

After discussion, **Motion made by Kimes to conditionally grant waiver 15-02, requiring that the petitioner have at least one year of licensed salesperson experience before he is allowed to take the broker's Examination.** Jim Gottschalk, petitioner, who currently has an active salesperson license with the State of Iowa, asked the Commission for a waiver of 193E Iowa Administrative Code § 3.1(6) and the required 24-month active salesperson experience under a sponsoring broker to obtain an Iowa real estate broker's license.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Public Comment:

None

Closed Session:

Motion by Kimes to enter into closed session pursuant to Iowa Code §§ 21.5(1)(a), 21.5(1)(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: Duggan, aye; Haines, aye; Stolk, aye; Kimes, aye; and Goede, aye.

Motion passed unanimously.

The Commission entered into closed session at 9:45 a.m. and arose there from at 10:14 a.m.

Open Session:

Motion by Stolk to return to open session.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to accept the signed settlements and/or consent agreements for the following cases: 12-398, 14-079, 14-113, 14-176, 14-186 and 14-187 and to authorize Duggan (Chair) or Evans (Executive Officer) to sign the accepted settlement and/or consent agreements.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Haines to find probable cause and to authorize Duggan (Chair) or Evans (Executive Officer) to sign the accepted signed settlement agreement for the following cases: 14-219, 14-229, 14-230 and 14-248.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to enter into a Consent Agreement with the applicant, authorize Evans (Executive Officer) to sign on behalf of the Commission, and then grant licensure for the following cases: 15-020, 15-021, 15-033 and 15-045.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to process the real estate licensure renewal without conditions for the following case: 14-246.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Haines to find probable cause for the following case: 14-178.

Seconded by Kimes.

VOTE: Duggan, aye; Goede, aye; Haines, aye; Kimes, aye

Abstaining: Stolk

Motion passed.

Motion by Haines to find probable cause for the following case: 15-004.

Seconded by Kimes.

VOTE: Duggan, aye; Haines, aye; Kimes, aye; Stolk, aye

Abstaining: Goede

Motion passed.

Motion by Haines to find probable cause for the following cases: 14-060, 14-085, 14-088, 14-174, 14-236, 14-245, 14-247 and 15-030.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to issue a Cease and Desist order for the following cases: 14-172 and 14-181.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to close the following cases: 14-193, 14-198, 14-203 and 12-314.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Meeting Schedule:

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

Wednesday, March 4th (Duggan, Kimes)

Wednesday, April 1st

Wednesday, May 6th

Wednesday, June 3rd

No July Meeting

Commission Meetings

Thursday, March 5th

Thursday, April 2nd

Thursday, May 7th

Thursday, June 4th

No July Meeting

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 10:20 a.m.

These minutes accurately reflect the minutes approved by the Commission at the meeting on:

3-5-15

Date


By: Terry Duggan, Chair

**Iowa Real Estate Commission
Staff Report (For December 2014)
February 5, 2015 IREC Meeting**

LICENSING TOTALS:

	<u>Brokers</u>			<u>Salespeople</u>		<u>TOTAL LICENSEES</u>
	<u>Firms</u>	<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>	
December 2014	1,249	3,433	508	5,460	1,514	10,915
December 2013	1,207	3,430	537	5,240	1,566	10,773

EXAMINATIONS ADMINISTERED BY PSI:

	<u>November</u>	<u>Year To Date</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Broker	32	263	281	207	245	233
Salesperson	126	1,343	1,212	952	781	916

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>December</u>	<u>Year To Date</u>
2006		1,275
2007		1,113
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014	26	845

BACKGROUND CHECKS:

Year to Date average turnaround time is 17 days.

AUDITS:

	<u>December</u>	<u>Year To Date</u>
Continuing Education	50	450
E & O	32	440
Trust Account	19	344

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<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	4.8%	1.8%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>December</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	28	250
Final Case Disposition	20	238
Signed Informal Settlement Agreements	3	91
Signed Applicant Consent Agreements	2	26
Signed Cease and Desist by Consent Agreement	1	5
Formal Hearings	0	4
License Denials	0	3
Civil Penalties Assessed	-	\$107,450
Continuing Education Hours Assessed	-	256
CPA Audits Assessed	-	2
Trust Account Reexaminations Assessed	-	1
Probation Time Assessed	-	2 (14 Months)
Suspensions	-	3 (16 Months)
Indefinite Suspensions	-	1
Revocations/Voluntary Surrenders	-	3

REAL ESTATE EDUCATION REPORT:

	<u>December</u>
Course Approvals	42
Instructor Approvals	4
Provider Approvals	2
Post Course Approvals	5
Pre Course Approvals	0

RENEWALS FOR LICENSEES EXPIRING ON 12/31/14:

Licenses up for Renewal	3,672
Licenses Renewed	2,905
Licenses Lapsed/Expired	767

**Iowa Real Estate Commission
Staff Report (For January 2015)
February 5, 2015 IREC Meeting**

LICENSING TOTALS:

	<u>Brokers</u>			<u>Salespeople</u>		<u>TOTAL LICENSEES</u>
	<u>Firms</u>	<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>	
January 2015	1,245	3,425	535	5,507	1,577	11,044
January 2014	1,202	3,428	561	5,242	1,625	10,856

EXAMINATIONS ADMINISTERED BY PSI:

	<u>December '14</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Broker	52	315	281	207	245	233
Salesperson	158	1,501	1,212	952	781	916

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>January</u>	<u>Year To Date</u>
2007		1,113
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015	165	165

BACKGROUND CHECKS:

Year to Date average turnaround time is 19 days.

AUDITS:

	<u>January</u>	<u>Year To Date Totals</u>
Continuing Education	52	52
E & O	100	100
Trust Account	24	24

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<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	4.8%	1.8%
2015	20.0%	5.8%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>January</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	44	44
Final Case Disposition	14	14
Signed Informal Settlement Agreements	-	-
Signed Applicant Consent Agreements	3	3
Signed Cease and Desist by Consent Agreement	-	-
Formal Hearings	-	-
License Denials	-	-
Civil Penalties Assessed	-	\$1,500
Continuing Education Hours Assessed	-	-
CPA Audits Assessed	-	-
Trust Account Reexaminations Assessed	-	-
Probation Time Assessed	-	-
Suspensions	-	-
Indefinite Suspensions	-	-
Revocations/Voluntary Surrenders	-	-

REAL ESTATE EDUCATION REPORT:

	<u>January</u>	<u>Year To Date Totals</u>
Course Approvals	50	50
Instructor Approvals	2	2
Provider Approvals	4	4
Post Course Approvals	2	2
Prior Course Approvals	0	0
Denied Courses	3	3