Iowa Real Estate Commission 200 East Grand, Suite 350 Des Moines, IA 50309 **MINUTES** October 1, 2015

Commissioners present for all or part of the meeting:

Terry Duggan, Chair

Michael Telford

Dennis Stolk, Vice Chair

John Goede

Jan DeMott

Commissioners absent:

Carol Haines

Helen Kimes

Staff present for all or part of the meeting:

Jeff Evans, Executive Officer

John Lundquist, Assistant Attorney General

Sandy Malek, Investigator

Renee Paulsen, Background Coordinator

Tracy Lindgren, Licensing Specialist Colleen Goddard, Trust Account Auditor

Jill Simbro, Education Director

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

Paul McLaughlin, Iowa Association of Realtors

Jeremy Danilson, Danilson Law, PLC

Dave Riley, FSBOHome.com

Call to Order:

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

Quorum was established.

Motion by Telford to approve the agenda.

Seconded by Goede.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Approval of Minutes:

Motion by Stolk to approve the open session and the closed session September 3, 2015 minutes.

Seconded by DeMott.

VOTE: Aye: All

Nay: None

Abstaining:

Motion passed unanimously.

Commissioner Reports:

DeMott briefly discussed her participation in the recent lowa Association of Realtors (IAR) 2015 Annual Convention. She was encouraged by the discussions that took place, especially on teams and advertising and that rules and/or guidelines need to be in place.

Duggan provided a report on his recent participation at the ARELLO Annual Conference and found that lowa is having the same regulatory issues as other jurisdictions.

Staff Reports:

Evans reminded the Commissioners to properly complete, along with sign and date their per diem forms and travel vouchers for their time and travel expenses while attending the meeting. Evans provided the Commissioners the IREC Staff Report for the month of September 2015. Evans mentioned that the Professional Licensing Bureau newsletter was published and e-mailed out to all licensees on September 23rd. Evans introduced Tracy Lindgren as the new Licensing Specialist who started on September 11th and announced that the other Licensing Specialist position is expected to be filled effective October 9th. Evans provided the IAR Board of Directors an IREC report at their meeting on September 25th. Evans briefly discussed the progress on the new licensing system.

Lundquist reported that he attended the ARELLO Annual Conference with Duggan and Evans. Lundquist found the meeting to be informative and he continued to network with prior and newfound contacts.

ARELLO:

In September, Evans, Duggan and Lundquist attended the ARELLO 2015 Annual Conference, which was held in Washington, D.C. Evans presented the Commission with a written report, providing meeting highlights.

Public Comment:

Paul McLaughlin announced that the lowa Association of Realtor's 2015 Annual Convention took place in September and that 576 members were in attendance.

Closed Session:

Motion by Telford to enter into closed session pursuant to lowa 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 DeMott.

VOTE: Roll call: DeMott, aye; Duggan, aye; Goede, aye; Stolk, aye; and Telford, aye.

The Commission entered into closed session at 9:16 a.m. and arose there from at 9:55 a.m.

Open Session:

Motion by Telford to return to open session.

Seconded by Goede.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Motion by Stolk to accept the signed settlement and/or consent agreements and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted settlement and/or consent agreements for the following cases: 13-174, 15-152, 15-153, 15-157, 15-180, 15-190, 15-191, 15-199 and 15-202.

Seconded by Telford.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

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Motion by Goede to find probable cause and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted signed settlement agreement for the following cases: 15-217, 15-221, 15-223, 15-230 and 15-240.

Seconded by Demott.

VOTE: Ave: All

Nav None <u>Abstaining: None</u>

Motion passed unanimously.

Motion by Stolk to enter into a Consent Agreement with the applicant, and to authorize Evans (Executive Officer) to sign on behalf of the Commission and then grant licensure for IREC Case No. 15-249.

Seconded by Telford.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Motion by Telford to find probable cause for the following cases: 15-169, 15-216, 15-238, 15-241, 15-242, 15-243, 15-246, 15-251, 15-252 and 15-256.

Seconded by DeMott.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Motion by DeMott to close the following cases: 15-187, 15-210, 15-220 and 15-253.

Seconded by Stolk.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Motion by DeMott to rescind probable cause and close IREC Case No. 14-179.

Seconded by Stolk.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 15-149 and the allegations of the unlicensed practice of real estate. It was determined that the file will be tabled to a future meeting.

Discussion was held re: IREC Case No. 15-195 and the allegations of the unlicensed practice of real estate. It was determined that the file will be tabled to a future meeting.

Discussion was held re: IREC Case No. 15-218 and the allegations of the unlicensed practice of real estate. It was determined that the file will be tabled to a future meeting.

Future Meeting Dates:

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

Wednesday, November 4 (Duggan, Goede)

Commission Meetings Thursday, November 5

Wednesday, December 2 (Kimes, Telford)

Thursday, December 3

Wednesday, February 3

Thursday, February 4 Wednesday, March 3

Wednesday, March 2

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| Iowa Real Estate Commission Me | eting Minute: |
|--------------------------------|---------------|
| October 1, 2015 | |

| Meeting | <u>Adjourned</u> | d |
|---------|------------------|---|
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With all agenda items covered, the meeting adjourned at 10:35 a.m.

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

Date

y: **Terry Duggan**, Chair

Iowa Real Estate Commission Staff Report (For September 2015) October 1, 2015 IREC Meeting

| | | | | TC | | |
|--|--|--|--|----|--|--|
| | | | | | | |
| | | | | | | |

| | | <u>Brokers</u> | | Salespeople | | |
|----------------|-------|----------------|----------|-------------|----------|-----------------|
| | Firms | Active | Inactive | Active | Inactive | TOTAL LICENSEES |
| September 2015 | 1,251 | 3,433 | 440 | 5,810 | 1,318 | 11,001 |
| September 2014 | 1,235 | 3,448 | 455 | 5,563 | 1,307 | 10,915 |

EXAMINATIONS ADMINISTERED BY PSI:

| | <u>August</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u> 2011</u> | <u>2010</u> |
|-------------|---------------|-------------|-------------|-------------|-------------|--------------|-------------|
| Broker | 22 | 191 | 315 | 281 | 207 | 245 | 233 |
| Salesperson | 102 | 1,098 | 1,501 | 1,212 | 952 | 781 | 916 |

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

| | <u>September</u> | Year To Date |
|------|------------------|--------------|
| 2007 | | 1,113 |
| 2008 | : . | 861 |
| 2009 | | 531 |
| 2010 | | 604 |
| 2011 | | 562 |
| 2012 | | 625 |
| 2013 | | 835 |
| 2014 | | 845 |
| 2015 | 66 | 828 |

BACKGROUND CHECKS:

Year to Date average turnaround time is 19 days.

AUDITS:

| | <u>September</u> | Year To Date Totals |
|----------------------|------------------|---------------------|
| Continuing Education | 0 | 352 |
| E&O | 21 | 497 |
| Trust Account | 35 | 257 |

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

| <u>Year</u> | <u>E&O</u> | Continuing Education |
|-------------|----------------|----------------------|
| 2007 | 17% | 5% |
| 2008 | 15% | 4% |
| 2009 | 33% | 6% |
| 2010 | 18% | 5% |
| 2011 | 1 5% | 5% |
| 2012 | 21% | 5% |
| 2013 | 11% | 3% |
| 2014 | 4.8% | 1.8% |
| 2015 | 18.5% | 3.4% |
| | | |

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

| | <u>September</u> | Year To Date Totals |
|--|------------------|---------------------|
| Complaint Cases Opened | 27 | 271 |
| Final Case Disposition | 33 | 244 |
| Signed Informal Settlement Agreements | 9 | 95 |
| Signed Applicant Consent Agreements | 2 | 20 |
| Signed Cease and Desist by Consent Agreement | - | 2 |
| Formal Hearings | - | 1 |
| License Denials | - | 3 |
| Civil Penalties Assessed | <u>.</u> | \$110,500 |
| Continuing Education Hours Assessed | = | 68 |
| CPA Audits Assessed | - | 1 |
| Trust Account Reexaminations Assessed | · - | 5 |
| Probations Assessed | - | 1 |
| Suspensions Assessed | - ' | 2 |
| Revocations/Voluntary Surrenders | | 2 |
| Statement of Charges Filed (Outstanding) | - | 9 |

REAL ESTATE EDUCATION REPORT:

| | <u>September</u> | Year To Date Totals |
|------------------------|------------------|---------------------|
| Course Approvals | 49 | 428 |
| Instructor Approvals | 7 | 45 |
| Provider Approvals | 0 | 17 |
| Post Course Approvals | 2 | 28 |
| Prior Course Approvals | 1 | 4 |
| Denied Courses | 9 | 27 |