

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

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

Terry Duggan, Chair	John Goede
Jan DeMott	Helen Kimes

**Commissioners absent:**

Dennis Stolk, Vice Chair	Michael Telford
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**Staff present for all or part of the meeting:**

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

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

Paul McLaughlin, Iowa Association of Realtors	Dave Riley, FSBOHome.com
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**Call to Order:**

Duggan called the meeting to order at 9:03 a.m.  
Quorum was established.

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

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Approval of Minutes:**

**Motion by DeMott to approve the open session and the closed session October 1, 2015 minutes.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Commissioner Reports:**

No reports.

**Staff Reports:**

Lundquist advised there were two hearings scheduled for 9:30 and 1:30 and thanked the Commission ahead of time for their work on the respective files.

SchraderBacher announced the Professional Licensing Bureau is now fully staffed and is happy to have Licensing Specialists Tracy Lindgren and Brandy March settling into their positions. She also announced Governor Branstad appointed Ron Hansen of Durant, IA as the new Superintendent of Banking. SchraderBacher also told the Commission that if they have an article for the upcoming newsletter, it needs to be submitted to Evans by November 13<sup>th</sup>.

Evans reminded the Commissioners that if they expect to be reimbursed for travel expenses, original and itemized receipts will need to be submitted to staff. Evans announced that real estate licensure renewals will begin on Monday, November 16<sup>th</sup> for approximately 5,000 licenses that are set to expire on December 31, 2015. Evans stated that staff has been working on updating forms to make the forms and website more user-friendly. Evans announced Carol Haines provided written notice that she has to resign her position on the Commission due to health issues. The Governor's Office has since been informed and they are processing her resignation.

**Public Comment:**

Paul McLaughlin announced that the Iowa Association of Realtor's 2015 Winter Meetings are scheduled to be held on December 1<sup>st</sup> and 2<sup>nd</sup>. McLaughlin also mentioned that he looks forward to continuing to work with the Commission on the changes and cleanup of the administrative code.

**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 DeMott.

VOTE: Roll call: DeMott, aye; Duggan, aye; Goede, aye; Kimes, aye.

Motion carried unanimously.

The Commission entered into closed session at 9:09 a.m. and arose there from at 9:26 a.m.

**Open Session:**

**Motion by Kimes to return to open session.**

Seconded by DeMott.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Formal Hearing**

A hearing was held before the Commission in Case No. 15-142. The hearing was conducted by Administrative Law Judge Kerry Anderson. The hearing was open to the public. The hearing commenced at 9:31 a.m. and concluded at 10:12 a.m.

**Closed Session**

**Motion made by DeMott for the Commission to go into closed session pursuant to Iowa Code section 21.5(1)(f) to deliberate its decision in Case No. 15-142.**

Seconded by Kimes.

VOTE: Roll call: DeMott, aye; Duggan, aye; Goede, aye; Kimes, aye.

Motion carried unanimously.

The Commission entered into closed session at 10:12 a.m. and arose there from at 10:30 a.m.

**Open Session:**

**Motion by Goede to return to open session.**

Seconded by DeMott.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by DeMott to direct Administrative Law Judge Anderson to prepare a written decision for Case No. 15-142 in conformance with the Commission's deliberations in closed session.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes to accept the signed settlement and/or consent agreements and to authorize Duggan (Chair) or Evans (Executive Officer) to sign the accepted settlement and/or consent agreements for the following cases: 12-286, 15-121, 15-151, 15-200, 15-204, 15-224, 15-225, 15-226, 15-238, 15-241, 15-243, 15-245, 15-251 and 15-256.**

Seconded by DeMott.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Goede to find probable cause and to authorize Duggan (Chair) or Evans (Executive Officer) to sign the accepted signed settlement agreement for the following cases: 15-237, 15-239, 15-259 and 15-267.**

Seconded by Demott.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by DeMott to enter into a Consent Agreement with the applicants and to authorize Evans (Executive Officer) to sign on behalf of the Commission and then grant licensure when all other licensing requirements have been met for the following cases: 15-280, 15-291, 15-293 and 15-294.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes to grant real estate licensure for Case No. 15-277.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Goede to find probable cause for the following cases: 15-116, 15-184, 15-260, 15-261, 15-262, 15-263, 15-264, 15-265, 15-281, 15-282, 15-285 and 15-286.**

Seconded by DeMott.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes to close the following cases: 15-166, 15-211, 15-275 and 15-283.**

Seconded by DeMott.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

After discussing IREC Case No. 14-206 and the allegations of the unlicensed practice of real estate,  
**Motion by Goede to close the file.**

Seconded by DeMott.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

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.

Discussion was held re: IREC Case No. 15-272 and the allegations of the unlicensed practice of real estate. It was determined that the file will be tabled to a future meeting.

After discussing IREC Case No. 15-273 and the allegations of the unlicensed practice of real estate,  
**Motion by Kimes to close the file.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Future Meeting Dates:**

Future IREC meetings are tentatively scheduled as follows:

**Investigation Committee**

Wednesday, December 2 (Kimes, Telford)  
Wednesday, February 3 (Duggan, DeMott)  
Wednesday, March 2  
Wednesday, April 6  
Wednesday, May 4  
Wednesday, June 8  
No July Meeting  
Wednesday, August 3

**Commission Meetings**

Thursday, December 3  
Thursday, February 4  
Wednesday, March 3  
Thursday, April 7  
Thursday, May 5  
Thursday, June 9  
No July Meeting  
Thursday, August 4

**The Commission suspended at 11:33 a.m. until 1:30 p.m.**

**Formal Hearing**

A hearing was held before the Commission in Case Nos. 15-009 and 15-022. The hearing was conducted by Administrative Law Judge Kerry Anderson. The hearing was open to the public at the discretion of the Respondent. The hearing commenced at 1:30 p.m. and concluded at 2:04 p.m.

**Closed Session**

**Motion made by DeMott for the Commission to go into closed session pursuant to Iowa Code section 21.5(1)(f) to deliberate its decision in Case Nos. 15-009 and 15-022.**

Seconded by Kimes.

VOTE: Roll call: DeMott, aye; Duggan, aye; Goede, aye; Kimes, aye.

Motion carried unanimously.

The Commission entered into closed session at 2:04 p.m. and arose there from at 2:32 p.m.

**Open Session:**

**Motion by Goede to return to open session.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes to direct Administrative Law Judge Anderson to prepare a written decision for Case Nos. 15-009 and 15-022 in conformance with the Commission's deliberations in closed session.**

Seconded by DeMott.

VOTE: Aye: All                      Nay: None                      Abstaining: None

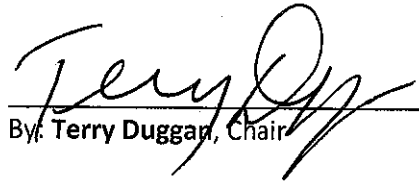
Motion passed unanimously.

**Meeting Adjourned**

With all agenda items covered, the meeting adjourned at 2:35 p.m.

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

12-3-15  
Date

  
By: Terry Duggan, Chair

## Iowa Real Estate Commission Staff Report (For October 2015) November 5, 2015 IREC Meeting

**LICENSING TOTALS:**

	Firms	<u>Brokers</u>		<u>Salespeople</u>		<u>TOTAL LICENSEES</u>
		Active	Inactive	Active	Inactive	
October 2015	1,253	3,434	452	5,817	1,354	11,057
October 2014	1,239	3,452	465	5,573	1,344	10,834

**EXAMINATIONS ADMINISTERED BY PSI:**

	<u>September</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Broker	15	191	315	281	207	245	233
Salesperson	88	1,098	1,501	1,212	952	781	916

**BROKERS & SALESPERSONS PROCESSED APPLICATIONS:**

	<u>October</u>	<u>Year To Date</u>
2007		1,113
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015	51	879

**BACKGROUND CHECKS:**

Year to Date average turnaround time is 21 days.

**AUDITS:**

	<u>October</u>	<u>Year To Date Totals</u>
Continuing Education	50	402
E & O	29	526
Trust Account	34	293

**PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:**

<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	4.8%	1.8%
2015	15.8%	3.2%

**INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:**

	<u>October</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	37	308
Final Case Disposition	26	270
Signed Informal Settlement Agreements	14	109
Signed Applicant Consent Agreements	1	21
Signed Cease and Desist by Consent Agreement	-	2
Formal Hearings	-	1
License Denials	-	3
Civil Penalties Assessed	-	\$124,000
Continuing Education Hours Assessed	-	100
CPA Audits Assessed	-	2
Trust Account Reexaminations Assessed	-	6
Probations Assessed	-	1
Suspensions Assessed	-	2
Revocations/Voluntary Surrenders	-	2
Statement of Charges Filed (Outstanding)	-	9

**REAL ESTATE EDUCATION REPORT:**

	<u>October</u>	<u>Year To Date Totals</u>
Course Approvals	48	476
Instructor Approvals	2	47
Provider Approvals	3	20
Post Course Approvals	24	52
Prior Course Approvals	2	6
Denied Courses	0	27