

**Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
June 9, 2016**

Commissioners present for all or part of the meeting

Terry Duggan, Chair	John Goede
Dennis Stolk, Vice Chair	Helen Kimes
Mike Telford	Jan DeMott

Staff present for all or part of the meeting

Jeff Evans, Executive Officer	Lori SchraderBachar, Site Manager (Joined at 9:30)
John Lundquist, Assistant Attorney General	Sandy Malek, Investigator
Tracy Lindgren, Licensing Specialist	Jill Simbro, Education Director
Brandy March, Executive Officer	Renee Paulsen, Background Coordinator

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

Paul McLaughlin, Iowa Association of Realtors	Tyler Frederiksen, Norsemen Realty, LTD
Jeff Eagan, Friedrich Iowa Realty	

Call to Order

Duggan called the meeting to order at 9:18 a.m.
Quorum was established.

Motion by Telford to approve the agenda.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Approval of Minutes

Motion by Kimes to approve the open session and the closed session May 5, 2016 IREC meeting minutes.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports

Goede discussed an upcoming lawsuit that he has become aware of, concerning a real estate licensee presenting a residential property seller disclosure statement.

Staff Reports

Evans reported there has not been an announcement from the Governor's office concerning the replacement of the public member position. 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 provided copies and submitted the IREC Staff report for May 2016 to the Commission.

ARELLO

Motion by Telford to approve Evans, Lundquist and Commissioner Duggan to attend the 2016 ARELLO Annual Conference in Vancouver, BC Canada from September 21st to 25th.

Seconded by DeMott.

VOTE: Aye: DeMott, Goede, Kimes, Stolk, Telford Nay: None Abstaining: Duggan

Motion passed.

Communications

After discussion, **Motion by Telford to grant waiver 16-04.** The petitioner, who recently was reissued a salesperson license with the State of Iowa after his broker license had expired, 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 by allowing him to use his previous Iowa real estate licensure experience he obtained as a both a salesperson and broker.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

After discussion, **Motion by Telford to grant waiver 16-05.** Tyler Frederiksen, petitioner, spoke to the Commission and explained the declining health circumstances of his current broker. Jeff Eagan, Friedrich Iowa Realty, spoke on the petitioner's behalf, expressing that he would be there to assist the petitioner in the event that he would need assistance. The 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 under a sponsoring broker to obtain an Iowa real estate broker's license.

Seconded by Goede.

VOTE: Aye: Duggan, Goede, Kimes, Stolk, Telford Nay: DeMott Abstaining: None

Motion passed.

Administrative Rules

Motion by Kimes to adopt 193 Iowa Administrative Code Chapters 1, 3, 5, 7, 8, 9, 10 and 13.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Staff Reports

SchraderBachar announced she intends on distributing the PLB newsletter late in June. SchraderBachar mentioned she spoke with the Governors' office and they hope to have appointments announced by end of month.

Public Comment

McLaughlin reported the Iowa Association of Realtors (IAR) summer meetings were held June 7 – 9, 2016 in Sioux City, Iowa.

Closed Session

Motion by Telford to enter into closed session pursuant to Iowa Code §§ 21.5(1)(a), 21.5(1)(d), 21.5(1)(f) and 543B.15(9) 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; Stolk, aye; Telford, aye.

Motion passed unanimously.

The Commission entered into closed session at 9:43 a.m. and arose there from at 10:53 p.m.

Open Session

Motion by Kimes to return to open session.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to accept the Findings of Fact, Conclusions of Law, Decision and Order for IREC Case No. 15-262.

Seconded by Goede

VOTE: Aye: Duggan, Goede, Kimes, Stolk, Telford Nay: None Abstaining: DeMott

Motion passed.

Motion by Stolk to accept the signed settlements and/or consent agreements for the cases discussed in closed session and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for the following cases: 16-026, 16-027, 16-061, 16-064, 16-067, 16-074, 16-105 and 16-135.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes 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: 15-330, 16-036, 16-072, 16-075, 16-076, 16-079, 16-086, 16-087, 16-089, 16-100, 16-104, 16-124, 16-133, 16-140, 16-141, 16-142 and 16-151.

Seconded by Stolk.

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: 16-138 and 16-181.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to grant licensure for the following cases: 16-189 and 16-191.

Seconded by Goede.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to find probable cause for the following cases: 16-094, 16-095, 16-099, 16-132, 16-137, 16-139, 16-144, 16-152, 16-153, 16-160, 16-167 and 16-193.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to close the following cases: 16-066, 16-118, 16-121, 16-122, 16-130, 16-134, 16-147, 16-155, 16-161, 16-164 and 16-165.

Seconded by Goede.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to close IREC Case No. 16-119.

Seconded by Goede.

VOTE: Aye: Duggan, DeMott, Goede, Kimes, Telford Nay: None Abstaining: Stolk

Motion passed.

Motion by DeMott directing staff to draft a letter for the individual seeking a preclosure determination as discussed in closed session for IREC Case No. 16-173.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 14-209 and the allegations of the unlicensed practice of real estate.

Motion by Goede to close the file.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion carried unanimously.

Discussion was held re: IREC Case No. 15-183 and the allegations of the unlicensed practice of real estate.

Motion by Telford to close the file.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion carried unanimously.

Discussion was held re: IREC Case No. 16-106 and the allegations of the unlicensed practice of real estate.

Motion by Telford to issue "Notice of Intent to Impose Civil Penalty" pursuant to 193E Iowa Administrative Code § 21.5.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion carried unanimously.

Future Meeting Dates

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

Wednesday, August 31 (Duggan, Goede)
Wednesday, October 5 (DeMott, ?)
Wednesday, November 2
Wednesday, November 30

Commission Meetings

Thursday, September 1
Thursday, October 6
Thursday, November 3
Thursday, December 1

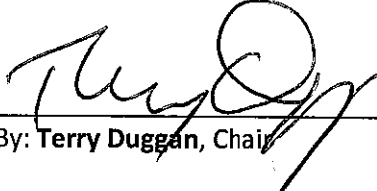
Meeting Adjourned

With all agenda items covered, the meeting adjourned at 11:07 a.m.

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

8-4-16

Date


By: Terry Duggan, Chair

**Iowa Real Estate Commission
Staff Report (For May 2016)
June 9, 2016 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>	
May 2016	1,260	3,393	405	5,935	1,209	10,942
May 2015	1,235	3,401	419	5,626	1,244	10,690

EXAMINATIONS ADMINISTERED BY PSI:

	<u>April</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Broker	25	91	324	315	281	207	245
Salesperson	169	697	1,638	1,501	1,212	952	781

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>May</u>	<u>Year To Date</u>
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015		972
2016	81	521

BACKGROUND CHECKS:

Year to Date average turnaround time is 22 days.

AUDITS:

	<u>May</u>	<u>Year To Date Totals</u>
Continuing Education	50	243
E & O	44	258
Trust Account	24	144

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
2008	15%	4%
2009	33%	6%
2010	18%	5%
2011	15%	5%
2012	21%	5%
2013	11%	3%
2014	4.8%	1.8%
2015	15.9%	3.2%
2016	21.7%	6.2%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>May</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	40	185
Final Case Disposition	32	132
Signed Informal Settlement Agreements	21	57
Signed Applicant Consent Agreements	1	17
Signed Cease and Desist by Consent Agreement	-	2
Formal Hearings	1	1
License Denials	-	-
Civil Penalties Assessed	-	\$70,000
Continuing Education Hours Assessed	-	164
CPA Audits Assessed	-	1
Trust Account Reexaminations Assessed	-	-
Probations Assessed	-	1
Suspensions Assessed	-	-
Revocations/Voluntary Surrenders	-	1
Statement of Charges Filed (Outstanding)	-	9

REAL ESTATE EDUCATION REPORT:

	<u>May</u>	<u>Year To Date Totals</u>
Course Approvals	53	281
Instructor Approvals	2	38
Provider Approvals	1	7
Post Course Approvals	-	2
Prior Course Approvals	-	6
Denied Courses	-	2