

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
August 2, 2018

Commissioners present for all or part of the meeting

Terry Duggan, Chair	Jan DeMott
Dennis Stolk, Vice Chair	Helen Kimes
James Clingman	Michael Telford

Staff present for all or part of the meeting

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

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

Paul McLaughlin, Iowa Association of Realtors, IAR
Debbie Lawrence, DML Management
Bill Wright, CBRE/Hubbell

Call to Order

Duggan called the meeting to order at 9:06 a.m.
Quorum was established.

Motion by Kimes to approve the agenda.

Seconded by Clingman.

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 June 7, 2018 IREC meeting minutes.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports

None.

Staff Reports

Evans reminded the Commissioners that if they expect to be reimbursed for travel expenses, original and itemized receipts would need to be submitted to staff. Evans reported that fall renewals begin November 16, 2018. He announced the retirement of Sandy Malek, PLB Investigator, effective

September 11, 2018. The updated staff report is available to Commissioners on the Google drive. Evans reported on his attendance at the IAR Annual Summer Meeting on June 8, 2018 in Okoboji, Iowa.

SchraderBachar mentioned to the Commissioners that travel requests for out of state travel might not always be approved. She suggested not making travel arrangements until the request is officially approved. The Governor's office has not yet filled the vacant public member position.

Communications

After discussion, **Motion by Telford to grant waiver 18-06, with the condition that said waiver shall expire June 6, 2020 in the absence of the submission of a broker application from waiver petitioner Debra Lawrence.** Ms. Lawrence addressed the Commission and explained that she has twenty-three years of property management experience while employed with Mandelbaum Commercial; which includes working as a bookkeeper, day to day operations, lease negotiations, and contracts. Lawrence, who has been licensed as a salesperson since June 2018, 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.

Administrative Rules

Motion by Telford to have staff "Notice of Intended Action" for the amendments made to 193 Iowa Administrative Code Chapter 1.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

ARELLO

Motion by Telford to approve sending Goddard and the new investigator, if available, to the ARELLO Investigator Workshop on October 23-25, 2018 in San Antonio, TX.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Public Comment

McLaughlin invited the Commission to the Iowa Association of Realtor's State Convention in Ames on September 11-14, 2018. McLaughlin also announced that IAR will be moving locations in late January, with the new location in the West Glen area in West Des Moines, Iowa. He also announced that there was a turnover in staff with the marketing and technology positions being filled by new personnel.

Closed Session

Motion by Kimes 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 Stolk.

VOTE: Roll call: Clingman, aye; DeMott, aye; Duggan, aye; Kimes, aye; Stolk, aye; Telford, aye.

Motion passed unanimously.

The Commission entered into closed session at 9:50 a.m. and arose from there at 11:53 a.m.

Open Session

Motion by Telford to return to open session.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes 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 Jeff Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for the following cases: 17-156, 17-178, 17-205, 17-257, 18-035, 18-048, 18-049, 18-122, 18-124, and 18-133.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to find probable cause 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 agreement for the following cases: 17-076, 17-077, 17-109, 17-148, 17-192, 18-066, 18-069, 18-104, 18-105, and 18-143.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to grant licensure for IREC Case No. 18-150.

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, with Executive Officer Evans signing on behalf of the Commission and then grant licensure when all other licensing requirements have been met for IREC Case No. 18-174.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott to find probable cause for the following cases: 16-324, 16-357, 17-006, 18-162, 18-074, 18-075, 18-114, 18-129, 18-142, 18-147, and 18-163.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott to find probable cause for IREC case No. 18-141.

Seconded by Stolk.

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

Motion passed.

Motion by DeMott to find probable cause for IREC case No. 18-152.

Seconded by Stolk.

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

Motion passed.

Motion by Stolk to close the following cases: 15-356, 17-198; 18-073, 18-092, 18-112, 18-117, 18-125, 18-126, 18-134, 18-135, 18-144, 18-148, 18-155, and 18-158 as discussed in closed session.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to close IREC No. 18-139 as discussed in closed session.

Seconded by Kimes.

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

Motion passed.

Motion by Telford to find probable cause for IREC case No. 18-149 as discussed in closed session.

Second by Clingman.

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

Motion failed.

Motion by Stolk to close IREC case No. 18-149 as discussed in closed session.

Seconded by DeMott.

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

Motion passed.

Discussion was held re: IREC Case No. 18-091 and the allegations of the unlicensed practice of real estate.

Motion by Telford to Close.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 18-118 and the allegations of the unlicensed practice of real estate.

Motion by Telford to close.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 18-119 and the allegations of the unlicensed practice of real estate.

Motion by Telford to close.

Seconded by Kimes.

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

Motion passed.

Discussion was held re: IREC Case No. 18-130 and the allegations of the unlicensed practice of real estate.

Motion by Stolk to issue "Notice of Intent to Impose Civil Penalty" in the amount of \$1,000 pursuant to 193E Iowa Administrative Code § 21.5.

Seconded by Clingman.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 18-151 and the allegations of the unlicensed practice of real estate.

Motion by Telford to issue "Notice of Intent to Impose Civil Penalty" in the amount of \$1,000 pursuant to 193E Iowa Administrative Code § 21.5.

Seconded by Demott.

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

Motion passed.

Future Meetings

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

- Wednesday, September 5 (Kimes, Clingman)
- Wednesday, October 3 (Telford, Demott)
- Wednesday, October 31 (Duggan, Stolk)
- Wednesday, December 18

Commission Meetings


- Thursday, September 6
- Thursday, October 4
- Thursday, November 1
- Thursday, December 19

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 12:14 pm.

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

9-6-18
Date


By: TERRANCE M. DUGGAN, Chair

**Iowa Real Estate Commission
 Staff Report
 August 2, 2018 IREC Meeting**

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>	<u>FIRMS</u>
Active	6,561	3,091		
Inactive	1,282	390		
Suspended	12	20		
TOTAL	7,855	3,501	11,356	1,096

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Broker	124	296	298	324	315	281
Salesperson	1,096	2,091	1,796	1,638	1,501	1,212

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>Year To Date</u>
2010	604
2011	562
2012	625
2013	835
2014	845
2015	972
2016	1,031
2017	978
2018	708

**TOTAL SALESPERSON & BROKER
 LICENSES ISSUED (YTD 2018)**

	<u>Salespersons</u>	<u>Brokers</u>	
Exam	560	47	
Rule 5.3	54	25	
Reciprocity	8	14	
TOTAL	622	86	708

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

<u>Turnaround Time (Days)</u>		<u>2018</u>
Minimum	7	Total Processed
Maximum	70	777
Average	10	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	82
E & O	432
Trust Account	280

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
2011	15%	5%
2012	21%	5%
2013	11%	3%
2014	4.8%	1.8%
2015	15.9%	3.2%
2016	23.44%	4.7%
2017	17.87%	2.9%
2018	4.32%	0%

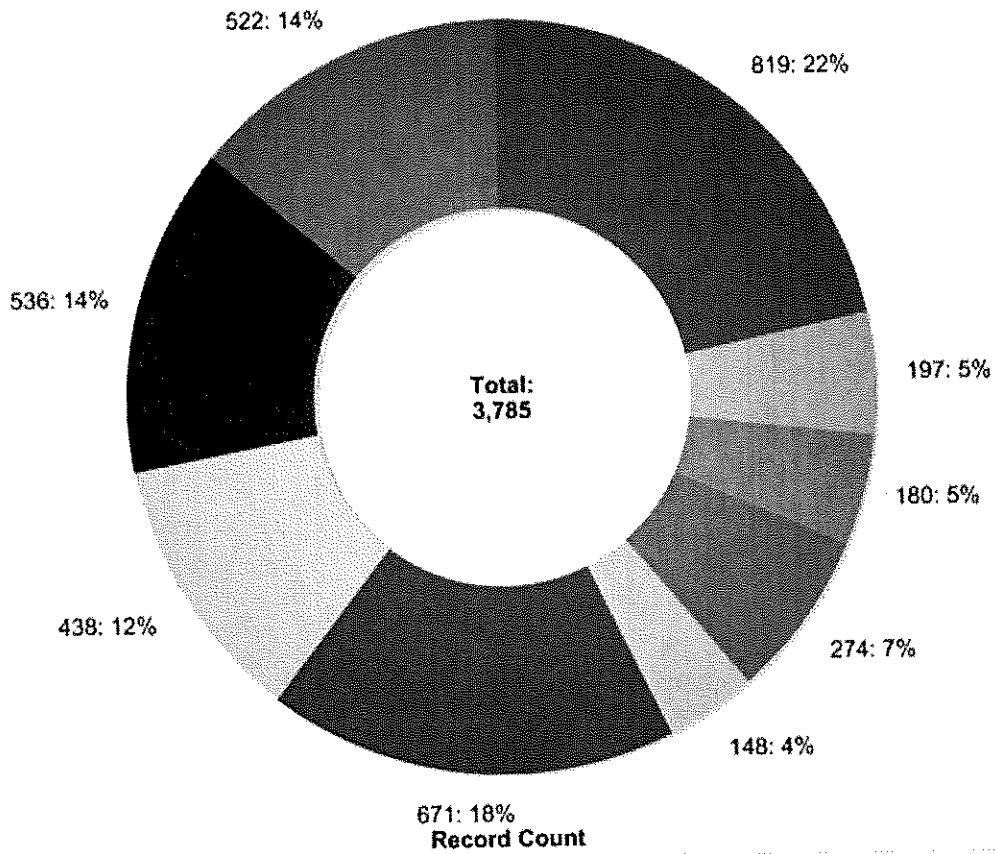
INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	176
<u>Commission Action:</u>	
Closed	43
Closed and Granted License	7
Closed with Informal Cautionary Letter	19
Signed Informal Settlement Agreements	35
Signed Applicant Consent Agreements	5
Signed Cease and Desist by Consent Agreement	1
License Denials	-
Formal Hearings	-
Total	110
<u>IREC Staff Action:</u>	
Closed	41
License Suspension	1
Total	42
Complaint Cases Closed YTD	152
Average Amount Of Time (Open To Close)	126 Days
<u>Disciplinary Action Totals:</u>	
Civil Penalties Assessed	\$54,750
Continuing Education Hours Assessed	92
CPA Audits Assessed	1
Trust Account Reexaminations Assessed	3
Probations Assessed	-
Suspensions Assessed	1
Revocations/Voluntary Surrenders	-
Statement of Charges Filed (Outstanding)	1

REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	364
Instructor Approvals (New/Renewed)	30
Provider Approvals (New/Renewed)	20
Post Course Approvals	-
Prior Course Approvals	-
Denied Courses	-

IREC APPLICATIONS (2018 YEAR-TO-DATE):



Type

- General - Request for Background Check Packet
- General - Request for License Verification (License History)
- RE Commission - Change Status to Active
- RE Commission - Change Status to Inactive
- RE Commission - Renewal
- RE Commission - Salesperson/Broker
- RE Commission - Transfer
- RE Commission - Authorized Course Application
- Other