

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
September 6, 2018

Commissioners present for all or part of the meeting

Terry Duggan, Chair	Jan DeMott
Dennis Stolk, Vice Chair	Michael Telford
Jim Clingman	

Commissioners not present for the meeting

Helen Kimes

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
Rod Reed, Bureau Chief: Finance & PLB	

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

Roger Hansen, previous IREC EO	Paul McLaughlin, IAOR
Mary Kay Zaver, previous PLB employee	Maggie Holland, Iowa Realty
Dave Batts, previous IREC EO	Dick Roberts, Cedar Falls Real Estate Co.

Call to Order

Duggan called the meeting to order at 9:02 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 DeMott to approve the open session and the closed session August 2, 2018 IREC meeting minutes.

Seconded by Clingman.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Communications

After discussion, **Motion by DeMott to grant Waiver Request 18-07 with the condition that said waiver shall expire December 8, 2018 in the absence of the submission of a salesperson application from waiver petitioner Sara Kramme.** Through the written waiver the petitioner provided details to the Commission of a high risk pregnancy that began around December 2017 – January 2018. The petitioner,

who is an applicant, is requesting a waiver of 193E Iowa Administrative Code § 4.3 and the requirement that an applicant by examination must submit their exam score report not later than the last working day of the sixth calendar month following the qualifying real estate examination.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports

None.

Public Comment

McLaughlin reminded the Commission of the upcoming Iowa Association of Realtor's State Convention in Ames on September 11 – 14, 2018. McLaughlin also commented that the Iowa Associations of Realtor's office will be moving in January 2019.

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 stated that fall renewals begin on November 16, 2018 for licenses that expire on December 31, 2018. In the meantime, PLB staff will retest the renewal application(s) to ensure it will be ready to go when the renewal period opens. Evans recognized and thanked Malek for her twenty years of state service (19 with PLB) in regards to her anticipated retirement on September 11, 2018. Malek served in many roles during her tenure: licensing specialist, office manager, background coordinator, and investigator. She trained and mentored many staff members, and was a continued source of wisdom and knowledge. The Commission and Commission staff joined Evans in recognizing Malek.

SchraderBachar reported that she had a recent conversation with the Governor's office and they had received an application for the Commission's open seat for a public member.

Reed recognized Malek with a Service Certificate from the Governor's office for her twenty years of service to the State of Iowa.

Meeting broke for a small reception to celebrate Malek's retirement.

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: Clingman, aye; DeMott, aye; Duggan, aye; Stolk, aye; Telford, aye.

Motion passed unanimously.

The Commission entered into closed session at 9:35 a.m. and arose from there at 10:40 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 DeMott 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: 16-291, 17-187, 17-188, 17-223, 17-252 18-011, 18-142, and 18-147.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott 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 IREC Case No. 18-141.

Seconded by Stolk.

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

Motion passed.

Motion by Telford 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: 17-136, 17-181, and 18-167.

Seconded by Clingman.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to enter into a Consent Agreement with the applicants, with Executive Officer Evans signing on behalf of the Commission and then grant licensure when all other licensing requirements have been met for the following IREC Case No. 18-182 and IREC Case No. 18-183.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Clingman to issue a "Notice of Intent to Deny License" for IREC Case No. 18-174.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to find probable cause for the following cases: 18-177, 18-178, and 18-189.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Clingman to close the following cases: 16-381, 17-250, 18-154, 18-166, 18-169, 18-175, and 18-176 as discussed in closed session.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Clingman left the meeting at 10:45 a.m. and returned at 10:47 a.m.

Discussion was held re: IREC Case No. 18-090 and the allegations of the unlicensed practice of real estate.

Motion by Telford to issue a "Notice of Intent to Impose Civil Penalty" in the amount of \$5,000 pursuant to 193E Iowa Administrative Code § 21.5.

Seconded by Stolk.

VOTE: Aye: DeMott, Duggan, Stolk, Telford Nay: None Abstaining: Clingman
Motion passed.

Discussion was held re: IREC Case No. 18-102 and the allegations of the unlicensed practice of real estate.

Motion by DeMott to close.

Seconded by Clingman.

VOTE: Aye: All Nay: None Abstaining: None
Motion passed unanimously.

Discussion was held re: IREC Case No. 18-034 and the applicant's August 27, 2018 request to withdrawal his application for licensure that was submitted to the Commission on February 9, 2018.

Motion by Telford to issue an "Order Accepting Withdrawal of License Application."

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None
Motion passed unanimously.

Discussion was held re: IREC Case No. 18-173 and the request for an individual seeking a prelicense determination.

Motion by Telford for staff to draft a letter for the individual seeking a prelicense determination, informing the individual that based solely upon the information that was provided in the request, the Commission was unable to determine that a weighting of the factors listed in Iowa Code § 543B.15(6) balanced in favor of granting a license.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None
Motion passed unanimously.

Future Meetings

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

No October Meeting
Wednesday, October 31
Tuesday, December 18
No January Meeting
Wednesday, February 6
Wednesday, March 6
Wednesday, April 3
Wednesday, May 1
Wednesday, June 5

Commission Meetings

No October Meeting
Thursday, November 1
Wednesday, December 19
No January Meeting
Thursday, February 7
Thursday, March 7
Thursday, April 4
Thursday, May 2
Thursday, June 6

No July Meeting

No July Meeting

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 10:59 p.m.

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

11/11/2018
/Date

Dennis L. Stolk
By: ~~TERRANCE M. DUGGAN~~, Chair
Dennis L. Stolk, Vice Chair

**Iowa Real Estate Commission
Staff Report
September 6, 2018 IREC Meeting**

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>	<u>FIRMS</u>
Active	6,623	3,094		
Inactive	1,318	396		
Suspended	13	20		
TOTAL	7,954	3,510	11,464	1,100

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Broker	137	296	298	324	315	281
Salesperson	1,272	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	819

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2018)</u>
Exam	652	52	
Rule 5.3	63	27	
Reciprocity	10	15	
TOTAL	725	94	819

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

<u>Turnaround Time (Days)</u>		<u>2018</u>
Minimum	7	Total Processed 891
Maximum	70	
Average	9	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	126
E & O	482
Trust Account	301

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
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	4.77%	0.79%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	199
<u>Commission Action:</u>	
Closed	59
Closed and Granted License	8
Closed with Informal Cautionary Letter	23
Signed Informal Settlement Agreements	55
Signed Applicant Consent Agreements	5
Signed Cease and Desist by Consent Agreement	1
Statement of Charges Filed	1
License Denials	-
Formal Hearings	-
Total	152
<u>IREC Staff Action:</u>	
Closed	43
License Suspension	2
Total	45
Complaint Cases Closed YTD	197
Average Amount Of Time (Open To Close)	135 Days

Disciplinary Action Totals:

Civil Penalties Assessed	\$70,750
Continuing Education Hours Assessed	140
CPA Audits Assessed	1
Trust Account Reexaminations Assessed	4
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)	455
Instructor Approvals (New/Renewed)	35
Provider Approvals (New/Renewed)	21
Pre/Post Course Approvals	22
Denied Courses	-

IREC APPLICATIONS (2018 YEAR-TO-DATE):

