

REAL ESTATE COMMISSION MEETING

Heber M. Wells Building
Room 210
9:00 a.m.
March 21, 2018

MINUTES

DIVISION STAFF PRESENT:

Jonathan Stewart, Division Director
Mark Fagergren, Education and Licensing Director
Kadee Wright, Chief Investigator
Justin Barney, Hearing Officer
Allen McNeil, Real Estate Analyst
Elizabeth Harris, Assistant Attorney General
Tiffany Brown, Assistant Attorney General
Amber Nielsen, Board Secretary
Jennica Gruver, Real Estate Education Coordinator
Van Kagie, Investigator
Mark Schaerrer, Investigator
Sarah Thaler, Division Staff

COMMISSION MEMBERS PRESENT:

Lori Chapman, Chair
Cal Musselman, Vice Chair
Lerron Little, Commissioner
Russell K. Booth, Commissioner
William Perry, Commissioner

GUESTS:

Heather Swanger	Shane Norris
Amanda Mendenhall	Kreg Wagner
Tim Toone	Cindy Toone
Paxton Guymon	Dan Naylor
Kevin Swenson	Brian Swan
Nancy Frandsen	Mike Hebert
Susan Courtney	Kobin Courtney
Heidi Snarr	Craig Jarrell

The March 21, 2018 meeting of the Utah Real Estate Commission began at 9:03 a.m. with Chair Chapman conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes – A motion was made and seconded to approve the minutes

from the February 21, 2018 meeting of the Commission as written. Vote: Chair Chapman, yes; Vice Chair Musselman, yes; Commissioner Little, yes; Commissioner Booth, yes; Commissioner Perry, yes. The motion was approved.

No public comment was made at this time.

DIVISION REPORTS

DIRECTOR'S REPORT – Jonathan Stewart

Director Stewart reported House Bill 243 passes early in the legislative session. He expressed his and the Division's thanks to Representative Froer for all his work this year and the past years. Representative Froer has announced he will not be seeking reelection in the next term. There are also some additional members in the legislature with industry knowledge who will be leaving vacancies. Director Stewart also thanked the UAR for all their support in getting this legislation passed.

ENFORCEMENT REPORT – Kadee Wright

Ms. Wright reported in 2017 the Division took action against 106 licenses, 91 of which were real estate individuals. The Division received 367 complaints, closed 284 cases. There are currently 338 open investigations; 100 of those cases are still awaiting assignment.

Mr. Wright reported month of February the Division received 47 complaints; opened 8 cases; closed 21 cases; leaving 338 open cases. There are 28 cases assigned to the AG's office.

Stipulations for Review

Alexander Blake

Cynthia W. Toone & Guard Right Property Management, LLC

Brittany J. Black

Bruce D. Hazen

Trent E. Collins

EDUCATION AND LICENSING REPORT – Mark Fagergren

Mr. Fagergren reported there was a 6% net growth every month. There is a net growth of 113 individuals each month, which would mean the licensing staff is processing around 200 applications each month.

Mr. Fagergren introduced Sarah Thaler who is the new real estate licensing technician. Ms. Thaler practiced real estate in Wyoming and has experience in customer service.

Mr. Fagergren reported the Caravan registration was post yesterday. 355

individuals have registered for Caravan overnight when checked at 7:30 a.m. At 8:55 a.m. and additional 150 individuals had registered.

COMMISSION AND INDUSTRY ISSUES

Mr. McNeil presented some new information to the Commission regarding the owner exemption rule changes. Mr. Barney clarified there were also some additional changes which would be correcting numbering issues and changing the dates for the lead based paint addendum and disclosure if they approved by the AG's office. Mr. Barney mentioned the rules from last month are currently in the process of being filed. Vice Chair Musselman asked if the language contemplates any possible issues which may arise. Commissioners Perry and Booth stated the committee was satisfied with the language being presented.

A motion was made to forward the owner exemption language in R162-2f-200 to be filed for public comment. That motion was amended to include R162-2f-401j and the amended motion was seconded. Vote: Chair Chapman, yes; Vice Chair Musselman, yes; Commissioner Little, yes; Commissioner Booth, yes; Commissioner Perry, yes. The motion was approved.

Mr. Barney presented the amended Lead Based Paint Addendum and Disclosure forms. He thanks Kreg Wagner, Shane Norris, and Ms. Harris for their work on the forms. The goal was to conform with the new requirements and they attempted to keep both forms one page long. Mr. Barney outlined the changes made to the forms. There was an addition of a certification and the formatting was changed to make the forms more readable. He also noted the dates at the bottom will be changed to reflect their pending approval and will be updated once approved.

A motion was a made and seconded to forward the forms to the AG's office for approval. Vote: Chair Chapman, yes; Vice Chair Musselman, yes; Commissioner Little, yes; Commissioner Booth, yes; Commissioner Perry, yes. The motion was approved. Chair Chapman thanked the individuals who worked on the forms for their time.

Director Stewart reported on the commercial forms issue which has been discussed for the past several months. He reported he met with Mr. Fagergren, Commissioner Booth, and Jared Booth. They discussed the pros and cons of having state approved forms. They concluded it may be best to ask CCIM to put the forms on the Division website and allow industry members to use the form without making the form a state approved form. The Division is waiting on word from the AG's office to see if it is safe for the Division to do so. Commissioner Little expressed concern about other industry organizations wanting their forms to be added on the Division website. Director Stewart stated he was not concerned since there are currently not commercial forms. Commissioner Little stated the UAR forms are not state approved and there may be pressure to put those forms on the website. Mr. Fagergren outlined the reasons why the Division would do this. Vice Chair Musselman thinks it is possible other organizations may want to do that, but it is unlikely. He asked Mr. Wagner if the UAR has an approved Commercial REPC. Mr.

Wagner may want to take their Commercial REPC form down in order to create unity in the industry. Commissioner Booth asked it if would be possible to send a notice out to commercial brokers updating them on legislative changes and other changes. Mr. Fagergren stated he wants to allow educational training on industry forms. He stated education is key to persuading individuals to the advantages of this. Amanda Mendenhall is Chair of the UAR Forms Committee and stated they have added two new members, including Jared Booth. Commissioner Booth asked to highlight points. Mr. Fagergren stated he would be able to do so on the agency disclosure.

A brief recess was held from 9:53 a.m. until 10:05 a.m.

The meeting resumed at 10:05 a.m. for the Informal Hearing of Kobin Courtney.

INFORMAL HEARING

10:05 a.m. Kobin Courtney – Respondent
Heidi Snarr – Witness for Division

The hearing for Mr. Courtney concluded at 11:04 a.m.

A brief recess was held from 11:05 a.m. until 11:11 a.m.

The meeting resumed at 10:05 a.m. for the Informal Hearing of Daniel Craig Jarrell.

INFORMAL HEARING

11:11 a.m. Daniel Craig Jarrell – Respondent

The hearing for Mr. Jarrell concluded at 12:34 p.m.

A motion was made to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Chair Chapman, yes; Vice Chair Musselman, yes; Commissioner Little, yes; Commissioner Booth, yes; Commissioner Perry, yes. The motion was approved.

CLOSED TO PUBLIC

An Executive Session was held from 12:35 p.m. to 12:55 p.m.

OPEN TO PUBLIC

Results of Executive Session

Alexander Blake – Approved with Division Concurrence

Cynthia W. Toone & Guard Right Property Management, LLC – Approved with Division Concurrence

Brittany J. Black – Approved with Division Concurrence

Bruce D. Hazen – Approved with Division Concurrence

Trent E. Collins – Approved with Division Concurrence

Mr. Courtney and Mr. Jarrell will be notified by mail of the results of their hearings.

A motion was made and seconded to adjourn the meeting. Vote: Chair Chapman, yes; Vice Chair Musselman, yes; Commissioner Little, yes; Commissioner Booth, yes; Commissioner Perry, yes. The motion was approved. The meeting adjourned at 12:56 p.m.