

REAL ESTATE COMMISSION MEETING

Heber M. Wells Building

Room 210

9:00 a.m.

January 15, 2014

MINUTES

DIVISION STAFF PRESENT:

Jonathan Stewart, Division Director
Mark Fagergren, Education and Licensing Director
Jeffery Nielsen, Chief Investigator
Justin Barney, Hearing Officer
Judith Jensen, Assistant Attorney General
Renda Christensen, Board Secretary
Mykah Travis, Real Estate Education Coordinator
Mark Schaerrer, Investigator
Kadee Wright, Investigator
John Bickmore, Investigator
Kathy Archuleta, Division Staff

COMMISSION MEMBERS PRESENT:

Kay R. Ashton, Chair
Russell K. Booth, Vice Chair
Gary R. Hancock, Commissioner
Lori Chapman, Commissioner
Lerron Little, Commissioner

GUESTS:

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|---------------|-------------------|
| Peter Stevens | Kevin Swenson |
| Shane Norris | Peter Christensen |
| Dan Naylor | Paul Naylor |
| Sara Saylor | Barry Brumfield |

The January 15, 2014 meeting of the Utah Real Estate Commission began at 9:00 a.m. with Chair Ashton conducting

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes

A motion was made to approve the minutes from the December 18, 2013 meeting. Vote: Chair Ashton, yes; Vice Chair Booth, yes; Commissioner Hancock, yes; Commissioner Chapman, yes; Commissioner Little, yes. The motion passes.

DIVISION REPORTS

DIRECTOR'S REPORT – Jonathan Stewart

Director Stewart reported the Division's bill has not been numbered as of yet. He has had a conference call with the drafter, and she is waiting to add the recent change to our bill. The change in wording would be for the Division to have the ability to send an e-mail to a licensee so they can print off their new license. The current wording states the Division will send the licensee a printed license to the address on file with the Division.

ENFORCEMENT REPORT - Jeffery Nielsen

Mr. Nielsen reported in December the Division received 19 complaints; opened 5 cases; referred no new cases to the Attorney General's office; closed 20 cases; leaving the number of cases at 280.

Mr. Nielsen said the number of closed cases for the month of January will jump, because the Division has sent out approximately 60 letters to cases that involve blind ads.

The Division has a new investigator for the real estate side, Mark Schaerrer. Mr. Schaerrer introduced himself to the Commission and those in attendance. His background covers 35 years in law enforcement with West Valley City and Park City. He recently has worked for the Federal Defender's office.

There are no stipulations for review this month.

EDUCATION AND LICENSING REPORT - Mark Fagergren

Mr. Fagergren said he is in favor of having the licensees print off copies of their licenses. They will be able to make a copy for their brokers as well as themselves. It will also save the Division time and money by making this change.

The statistics for December show an increase in 11 new brokerages.

Mr. Fagergren presented an application to the Commission of an applicant who had been home schooled, and did not have a high school diploma or GED equivalent. The Commission will review the application in their Executive Session.

Pearson Vue has not been generating pass rate reports for the schools. Their reason for this is because the reports will have to be done manually by pulling numbers from various reports. Mr. Fagergren explained Pearson Vue had created this report in the past, and it was important to the schools and the Division to have these numbers showing the pass rates of the test takers. This information will be for internal use only, and will not be made public.

Pearson Vue has also closed the testing center in Midvale. They have opened a new testing center in Draper, leaving the state with only two centers: Ogden and Draper. The Division will meet with Pearson Vue to let them know they need to open more testing centers. Even if the new centers are smaller and won't be able

to scan fingerprints, they can still manually take the fingerprints on cards. As it stands now, applicants are now being told they are one month out in getting scheduling a test date.

Currently, the new applications for licenses are printed on a secure paper (green and purple) to show they are originals. Up until now, a licensee would only be able to fax or email in their renewal applications, but new licensees must be hard copies on the secure paper. The Division has changed to allow new applicants to have the ability to fax or email their applications in to the Division.

There are no stipulations for review this month.

COMMISSION AND INDUSTRY ISSUES

Discussion of Proposed Rules – Justin Barney

Mr. Barney reported the rule regarding the residential construction REPC form has now been changed because the form is out of date. The amendment to the rule has been published today, and will now be out for public comment for 30 days.

Mr. Fagergren brought up the topic of having printed copies of the Candidate Handbook. The Division has recently made changes to update the handbooks, and he asked the representatives from the schools in attendance if it would be an easier and more cost effective system to be able to print off the handbooks instead of purchasing copies. The schools responded they are currently printing off the handbooks now, so they are fine with the suggestion.

Discussion: Reverse Mortgage Purchase Contract - Barry L. Brumfield

Mr. Brumfield addressed the Commission regarding reverse mortgage purchase agreements. He believes the current REPC should be changed or perhaps an addendum should be created regarding reverse mortgages. The last time the current REPC was amended was in 2008. The process involves the having the Attorney General, Real Estate Commission, and the Division's approval. The Division will review the information and perhaps have an article in the next Division newsletter.

OPEN TO PUBLIC

INFORMAL HEARING:

10:00 Kyle D. Ashworth - Disciplinary Hearing
Mr. Ashworth did not appear and the hearing was held in absentia.

Division witnesses: David Smith, Special Agent for HUD
Jeffery Nielsen, Chief Investigator
Renda Christensen, Board Secretary
Amber Nielsen, Records Staff

CLOSED TO PUBLIC

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 Ashton, yes; Vice Chair Booth, yes; Commissioner Hancock, yes; Commissioner Chapman, yes; Commissioner Little, yes. An Executive Session was held from 11:44 a.m. to 12:10 p.m.

OPEN TO PUBLIC

Results of Executive Session

A letter will be issued to Mr. Stengel.

A motion was made to adjourn the meeting. Vote: Chair Ashton, yes; Vice Chair Booth, yes; Commissioner Hancock, yes; Commissioner Chapman, yes; Commissioner Little, yes. The meeting adjourned at 12:10 p.m.