

Division of Real Estate

Gary R. Herbert, Governor

Francine A. Giani, Executive Director

Jonathan Stewart, Division Director



CARAVAN Discussion Points

Jeff Nielsen - Chief Investigator

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Now that CARAVAN has ended, there were a few discussion points that came up from the presentations which I would like to address through the newsletter. Two of the issues were related to appraisers, and one was specific to real estate agents. Let's start with the appraisal issues first.

Appraisal Issue #1: Consistency in Uniform Appraisal Dataset (UAD) reporting of quality and condition:

One of the issues I discussed on CARAVAN this year was an issue not related directly to the Division's enforcement efforts, but one that is an issue with HUD which indirectly affects our appraisers. This issue is in regard to the consistent use of quality and condition ratings in appraisal reports.

So what is the issue exactly? Let's use an example to help illustrate the issue. Let's say an appraiser performs an appraisal on subject property "A." In that appraisal, the appraiser used three sales comparables. Three months later, when appraising subject property "B," the appraiser thinks back to

comparable #1 from the subject "A" appraisal and decides the comparable would also be a good comparable for subject "B."

When compiling the report for subject "B," the appraiser decides to assign comparable #1 a Q3 and C3 rating. However, in the appraisal for subject "A," the appraiser had assigned the same comparable a Q2 and C2 rating. This is an issue that HUD seems to have noticed, and they are addressing this issue with appraisers and action is being taken against appraisers on the FHA roster.

Appraisers are required to disclose HUD sanctions when renewing their license. In addition, HUD notifies the Division of the sanctions HUD takes. The Appraisal Board has asked the Division to review HUD sanctions to determine whether licensees need to also be sanctioned by the State of Utah for violations. In this case, the Division would not necessarily review the appraisals, but the appraisals could be part of the basis for an action by HUD against an appraiser.

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Director's Message Report What You See



The murder of "Kitty" Genovese was not unique by any stretch of the imagination. What occurred on the night of March 13, 1964 "was not as gruesome as some others, since many more were just as violent, and still more that easily surpassed it." The murder of Genovese became famous because of how those who witnessed the event reacted--or didn't react.

At 3:15 a.m. on March 13, 1964, Genovese left her work to return to her apartment on Austin Street. After parking her car she noticed someone walking towards her. She immediately headed for her apartment door. "As she got out of her car she saw me and ran," the man later reported to the court, "I ran after her and I had a knife in my hand." The assailant caught up to Genovese before she was able to reach her apartment door. As the man attacked her, she screamed, "Please help me! Please help me!" Lights in nearby apartments went on. "Irene Frost heard [Genovese's] screams plainly. 'There was another shriek,' she later testified in court,

and she was lying down crying out."

Another resident of the apartment complex, Robert Mozer opened his window and yelled, "Hey, let that girl alone." Upon hearing Mozer, the attacker walked away.

Within five minutes, the assailant returned again to resume his attacks. Genovese yelled out again: "I'm dying! I'm dying!" More windows opened within the apartment complex and the attacker ran off a second time. A man by the name of Mr. Koshkin later reported that he wanted to call the police, but his wife wouldn't allow it. "I didn't let him," she said, "I told him there must have been 30 calls already."

Meanwhile, the attacker returned a third time. "I came back because I knew I'd not finished what I set out to do," he told the police. "The entire event lasted approximately 32 minutes and no one called the police until 3:50 a.m. Before calling the police, Karl Ross 'called a friend nearby...and asked his opinion about what he should do. After the police were notified, a squad car arrived within three minutes.'" After Police finished speaking to neighbors, they discovered that 38 people had either heard or seen part of the assault. An assistant chief inspector later told the police that if they had been called when the assailant first attacked, Genovese would probably still be alive.

Why did no one call the police? There are three reasons social scientists cite for why those who witnessed the event failed to report it to the police.

The first comes from Dr. Karl Menninger, a world-renowned psychiatrist. Dr. Menninger said that "[p]ublic apathy to crime is itself a manifestation of aggressiveness... People turn away for a variety of reasons, including their desire not to get involved."

The second is what is called the Bystander Effect. This theory states that as the "number of bystanders increases, the likelihood of any one bystander helping another decreases."

The third and final reason is called the Diffusion of Responsibility. This is basically "a decrease in the feeling of personal responsibility one feels when in the presence of many other people. The greater the number of bystanders, the less responsibility the individual feels."

I do not know why some refuse to file complaints with the Division when they know of a violation. Having just returned from CARAVAN, I am reminded of how often members of staff are approached by a licensee with the report of a violation by another licensee or unlicensed activity. In these conversations, we often ask the person reporting the violation to submit a complaint to the Division. The response is almost always: "I don't want to file a complaint."

I am not suggesting real estate violations are on the same level as murder, but the principles of reporting illegal activity are the same. Part of the Mission Statement of the Division of Real Estate states that we will protect the public. It is very difficult for us to do that if complaints are not filed with the Division. By investigating complaints, we are also working to ensure that licensees have a fair playing field to conduct business. By removing bad actors from your industries, the Division can help encourage fair competition and commerce. If you know of a licensee that is violating the law or an unlicensed individual that is performing duties that require a license, we urge you to notify the Division by filing a complaint. By filing a complaint with the Division, you are helping us do our job, but you are also improving your industry.




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Governor's Visit to the Utah Division of Real Estate

Governor Gary Herbert declared the week of May 5-9 "Public Service Recognition Week" in Utah. As part of Public Service Recognition Week, Governor Herbert visited the Utah Division of Real Estate on May 8th. He met some of the Division staff and then sat down with Van Kagie, one of our Real Estate Investigators, to return some phone calls from licensees and members of the public. We appreciate the Governor taking time out of his busy schedule to visit the Division. He has always been supportive of what we do here at the Division, and we are grateful for the time we were able to spend with him. 



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For this reason, the Division wants to ensure that appraisers understand this issue so they can ensure the quality and condition ratings they use for comparables are applied uniformly.

Does this mean you can never change the quality and condition ratings for a particular comparable? No. However, unless there was a subsequent sale of the property and there were updates to the property, it may not warrant a change. If updates to a home do warrant a change, it should be noted in case you are asked to defend the ratings you previously assigned to a comparable.

Appraisal Issue #2: Discrepancy between opinion of value and contract price

One of the common complaints we have received lately regarding appraisals is a discrepancy regarding the opinion of value by the appraiser and a higher contract price between buyers and sellers. With the market starting to pick up, prices are beginning to increase as well.

On CARAVAN, I discussed the two sides to this issue. First, most of the complaints the Division receives tend to come from home owners and listing agents.

A common thread is that the listing agent completed a CMA on the property to get a listing price, so the CMA and comparables are sent to the Division to show that other comparables were available for the appraiser to use.

Relative to this issue, I pointed out a couple of things to attendees. One is that there is a different role between listing agents and appraisers in determining value. The level of review is one difference. Certainly, another difference is that an appraiser is an independent, unbiased, objective third party, while the listing agent has a fiduciary duty to do what is best for their client. This means that even though a buyer may be willing to pay the asking price, additional factors weighed by an appraiser may not support that value. This does not mean the CMA is incorrect or that the appraisal is incorrect, only that it is an issue to consider.

The other side of this issue comes about when there is something lacking in the appraisal, an analysis of the contract. As I told attendees, it is all too common that an appraiser will fill out the contract analysis section of the 1004 by stating what the contract price is, together with any seller concessions. This may be an acceptable analysis in some transactions, but may be lacking in others. This may be especially relevant when there is the discrepancy between the contract price and the appraiser's opinion of value.

For example, assume a house had a contract price of \$290,000 without any seller concessions. The appraiser reviews all of the market data which seems to support a value of \$260,000 so this becomes the appraiser's opinion of value. Without any further explanation in the appraisal, this leads to a number of questions, including, but not limited to:

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Annual Exam Updates Underway

Each year, the Real Estate Sales Agent Exam, the Real Estate Brokers Exam, and the Mortgage Lending Manager exam, receive an in depth review and evaluation. This is generally a two to three day process for each industry where the test performance of all tests are examined, individual questions are reviewed for their relevancy and accuracy, and new questions are introduced to become test questions for the next testing period. PearsonVue is the Division's testing provider for these exams, but we rely heavily on our industry experts who volunteer their time to make sure that we have the correct answers with the correct questions.

We are preparing to begin this process in June and the new, fully updated exams will be rolled out in late fall of this year. We want to take this opportunity to thank those who have helped us with these exams over the years. We have been very fortunate to work with dedicated professionals who are willing to share their expertise with the industry they serve.

If you would like to be considered for future exam reviews, or you know of an individual who would be a good candidate, please feel free to submit your name to the Division by email at realestate@utah.gov. 

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- As is often mentioned, appraisers use historical data to try and find a current value; so did the market rise after the dates of sale for the comparables for which there was no adjustment by the appraiser?
- Did the appraiser consider inferior comparables?
- Was the appraiser coming in low on purpose?

What, then, should the appraiser do? This is where more of an analysis of the contract may be required, and where I use a specific case example to illustrate this particular issue.

In a prior case, a scenario similar to the one presented above occurred. The appraiser, after reviewing the data available, could not justify increasing the opinion of value he had originally identified. With the data alone, the appraiser could not reconcile why the contract price would be almost \$30,000 higher than the supported value.

In an attempt to reconcile the data, the appraiser made a few telephone calls. In a call to the buyers' agent, it started to become clear as to why there was a discrepancy. Here is what the appraiser learned about the buyers and their motivations: (1) the buyers were moving from a larger city to a rural area and may not have understood this particular rural market; (2) the home on which the buyers made the offer was the very first house they had viewed before deciding to make an offer; and, (3) the buyers had some

relatives almost directly around the corner from the subject home.

Armed with this information, the appraiser was able to reconcile why there appeared to be a discrepancy. In the report, the appraiser reported the factors he had learned, and determined the buyers may not have been "arm's length buyers" to be considered by the value of market definition. Also, it appears even if these individuals were "arm's length buyers" and market participants as defined in the market value definition, they may have been willing to pay a premium to purchase the subject property for reasons another market participant may not have due to having their family so close.

Real Estate Issue: Exclusive brokerage agreements and minimum services confusion

The last issue I wanted to cover from CARAVAN was some confusion that arose during Director Stewart's portion of CARAVAN, specifically the new statute in the exclusive brokerage agreement section that provides a safe harbor for a buyer's agent to contact a seller directly. From some of the discussions surrounding this new safe harbor, there seemed to be a lot of confusion about minimum services and what is required by statute with exclusive brokerage agreements. I am hoping to set the issue straight.

To begin, as Director Stewart mentioned on CARAVAN, if a listing agent does not provide services they are required to provide by

Rule Developments Since April 1, 2014

To view and comment on any proposed or amended rules, please visit the Utah State Bulletin at <http://www.rules.utah.gov/publicat/bulletin.htm>

Appraisal Management

No amendments of the administrative rules for the appraisal management industry were proposed during the First Quarter


Appraisal

Rules 162-2g-304b, 304c, 304d. These administrative rules were amended to clarify that the new Utah education criteria for real property appraisers do not go into effect until January 1, 2015.

Mortgage

No amendments of the administrative rules for the mortgage industry were proposed during the First Quarter

Real Estate

No amendments of the administrative rules for the real estate industry were proposed during the First Quarter 

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statute, a complaint can be filed with the Division.

The new safe harbor does not justify or allow a listing agent to avoid their duties to their client; it allows a way for a buyer's agent to assist their client in certain situations in which the buyer's agent may need to be in direct contact with a seller, without creating implied agency.

This issue arises frequently when a buyer's agent represents a client interested in a property subject to a flat fee listing where the property is advertised on the MLS, but the listing principal broker is not providing many other services. This seems to be where some of the confusion can be found. Many agents believe the state requires an agent to provide minimum services in all transactions. This is, in fact, not the case. According to Utah Code § 61-2f-308, certain services are required of a principal broker who has an exclusive brokerage agreement with a client. An exclusive brokerage agreement is defined and means "a brokerage agreement that gives the principal broker the sole right to act as the agent or representative of the client for the purchase, sale, lease, or exchange of real estate, an option on real estate, or an improvement on real estate." If a broker has an agreement in place such that they are the only broker allowed to represent the client, then the broker/agents must accept delivery of and present offers, assist in developing offers, and answering questions. ¹

¹ This list is shortened due to space; specifically described in 61-2f 308(2).

In a flat fee listing, brokers do not sign an agreement giving them the sole right to represent a client; they typically sign an agreement to provide specific services. The agreement may only require the broker to assist in advertising for a fee. As such, the broker does not have the sole right to act on behalf of the client. Since the agreement does not match the definition of an exclusive brokerage agreement, the broker is not required to provide all the services found in § 61-2f 308(2). If the client has not contracted to have the agent represent them in negotiations, the person may have the choice of finding a different agent to take on this role, or may decide to contract with the advertising broker or a real estate attorney for further services.

This subject can be confusing, but hopefully this discussion helps bring some clarity to the situation. As with any of the situations described above, the Division can assist in explaining the statutes and administrative rules. A lot of good discussion came from these subjects on CARAVAN, and seemed worthwhile enough to share the discussions with all who were unable to attend. 

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Kagie's Korner

What Name Should You Use In Your Professional Practice

The Division of Real Estate has seen a recent increase in the number of agents who, in the practice of their profession, are using a name that differs from the name on their professional license. Why might this be a concern?

When a client calls the Division to check on their agent's licensing status, the client often asks some of the following questions: is their agent licensed, what is their agent's license status, how long has their agent been licensed, in addition to other questions. When Division staff cannot find that their agent is licensed, the client becomes understandably concerned.

Let me illustrate such a scenario. A client calls to inquire about the licensing status for "Bob Mouse." The staff member attempts to locate the licensing records for Bob Mouse by using various name derivations such as Robert Mouse, Robert Mousse, etc. All attempts prove unsuccessful.

The client often becomes frustrated, wondering whether the individual they have been working with is actually licensed.

In some instances the client is concerned enough that they desire to submit a formal complaint looking into the licensing legitimacy of their agent. It appears that an individual may be performing unlicensed real estate activity. The client decides to file a complaint with the Division. The Division receives the complaint with an address provided for Mr. Mouse. A notice of complaint is sent to the individual. The Division is then contacted by a Mickey Robert Mouse, who just happens to be a licensed agent. Here's the issue: Mr. Mouse is going by the nickname of his middle name, and not his legal name Mickey Robert Mouse, as it appears on his license. The Division's licensing software does not have the capability to search for middle names, nicknames, or abbreviated names.

Another example further illustrates the point. Bill places an online classified advertisement to sell a home. Bill is reported to the Division by another licensee as a blind advertisement because they found out that Bill is a licensed agent and the ad did not include his brokerage information. The Division contacts Bill, and finds out his legal name is John William Doe. Again the issue is: Mr. Doe is advertising using a nickname of his middle given name, and not his legal name of John William Doe or John Doe, as it is shown on his license.

The Division uses valuable time trying to locate Bill, because the contact information on the advertisement does not correspond with Division's records, only to find out that Mr. Doe is in fact a licensed individual who has a blind advertisement violation.

Here is another example of licensees using a professional name that does not correspond with Division records. An agent runs an advertisement that identifies his given name and ABC Realty as his brokerage. A prospective client comes across the advertisement and calls the Division to check on the agent. (A listing of all licensees affiliated with a brokerage is a common way for Division staff to locate the agent). A search of the Division licensing database shows no such licensed brokerage. The Agent has run a blind advertisement because the agent did not include the brokerage name (A Better Community Realty) as it is shown on the brokerage license and Division records as required by administrative rule.

It is strongly recommended that in their professional practice, licensees use their name as shown on their license. In addition, administrative rules require the name of the brokerage used to register with the Division to be used in all advertising.



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Mortgage Underwriters (and Processors) Required to be Licensed or Employed by Licensed Entity

In 2012 legislation went into effect that required loan processors to either hold a loan originator license or be employed by an active licensed entity. To meet and be consistent with SAFE Act requirements, the Utah legislature has now included loan underwriters under the same licensing requirement.

The SAFE Act states:

- The term 'loan processors or underwriter' means an individual who performs clerical or support duties at the direction of and subjection to the supervision and instruction of – (i) a State-licensed loan originator; or (ii) a registered loan originator. (§1503(4)(A))

Utah statutes and administrative rules further define the expectations and requirements that Principal and Branch Lending Managers (PLM's and BLM's) have over the supervision of both licensed loan originators as well as unlicensed staff (61-2c-301 (1) (r)).

Utah Code Section 61-2c-301 (3) and Administrative Rule R162-2c-301a(2) confer upon PLM's and BLM's the responsibility to establish and follow reasonable procedures, written policies, create specific affirmative duties as well as prohibited activities for affiliated licensees as well as unlicensed staff.

Loan processors and underwriters who are working under the direction of a licensed active entity (and PLM or BLM) are exempt from licensing IF they are exclusively performing processing or underwriting activities. If loan processors and/or underwriters are independent contractors, i.e., individuals processing or underwriting for more than one entity, then they must either hold a loan originator license, or the contracting company must hold an entity license and provide the supervision through their licensed Lending Manager. If the processor or underwriter hold a loan originator license, that license can be on inactive status (no sponsorship) which would therefore enable the processor or loan underwriter to contract with more than one entity.

Please feel free to contact the Division at 801-530-6747 ext. 3 with any questions or for further clarification.



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Do you have a question you have been wanting to ask an investigator but have not had the time to call? Do you have questions about your license? We want to hear about your ideas and suggestions. All questions and suggestions will be anonymous. Selected questions will be answered in the next newsletter.

Submit questions to:
[DREnewsletter@utah](mailto:DREnewsletter@utah.gov)

Q: In a recent Kagie's Korner article, there was a discussion about an agent's responsibility to update listing information so as not to have properties listed when they are no longer for sale. Agents should be able to control this through their own forms of advertisements, MLS listings, and websites. What about when the listing information is pulled into other agents' websites, or onto sites like Zillow and Trulia? What is the Division's policy, and what penalties will the Division levy against agents when these violations are discovered?

Division Question and Answer

A: The Kagie's Korner article referred to agents (other than the listing agent) who pull MLS information onto their sites or use it to find buyers through KSL Classified ads, etc. They are responsible to ensure that the information is accurate and timely. The Division will hold agents responsible for the advertisements and listings over which they have control. As mentioned, your MLS listings, websites, internet advertising (e.g. KSL Classifieds), print ads, and any other form of advertising will be your responsibility. If another agent uses your listing information for their own purposes, the Division will hold them responsible for what they advertise. In order to help clear up any lingering confusion, let's review three different examples.

Example 1: Agent Abbott obtains a listing on 123 Main Street. Abbott places a listing on the MLS, and then also uses the information on his website and on KSL Classified ads to draw interest to the property. A month later, the property is sold. The MLS is updated to show the sale, yet Abbott leaves the listing information on his website and in a KSL Classified ad because he forgot about these forms of advertisement. Three months later, the Division is notified of the ad listing the property for sale despite the fact that the property sold months previously. The Division could potentially sanction Abbott for advertising a property without having a listing agreement to do so, since Abbott continues to advertise a property he no longer has agency authority to list and advertise.

Example 2: Agent Abbott has a listing for 123 Main Street. After placing the listing info on the MLS, Agent Costello, who typically represents buyers, decides to place the listing information on his website and place a KSL Classified ad to draw interest from potential buyers. Six months later, Agent Costello continues to have the property advertised on his website and in a KSL Classified ad even though the MLS shows the property sold four months previously. The Division receives a complaint from the new home owner, because the owner sees Agent Costello has their home advertised for sale. The Division, in this case, would look at potential violations by Agent Costello for advertising the sale of a property that is no longer listed by another agent through the MLS, and for which he has no listing agreement. Agent Abbott would not be held responsible for Agent Costello's use of the information.

Example 3: Agent Abbott lists 123 Main Street on the MLS. The information is then purchased by Zillow and Trulia, and is placed on their websites showing the home is for sale. The home sells a month later, yet the information remains on Zillow and Trulia's websites. Agent Abbott would not be held responsible for this situation, unless Agent Abbott was the one who posted the listing information onto Zillow and/or Trulia.



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Licensing and Disciplinary Action Statistics

Licensing Trends

From time to time we get asked about licensing and disciplinary trends in the industries the Division regulates and the number of cases we are investigating. The following chart will give you a quick overview of the number of licenses issued in each industry.

The numbers in this chart will show you the number of licenses issued in each category. Of interest is whether these numbers are increasing or decreasing which tends to be reflective of market activity. Appraisal licenses typically remain fairly static from year to year, although this past year there has been a 3 ½ % reduction in the number of appraisers. Mortgage individual licenses have decreased about 2% over the past year and entity licenses are showing a small increase. Real estate licenses have increased about 4% over the past year with entity licenses increasing just slightly.

License Type		Active Licenses	Inactive Licenses
APPRAISER	Trainee	97	n/a
	Licensed Appraiser	156	n/a
	Certified Residential	672	n/a
	Certified General	396	n/a
APPRAISAL MANAGEMENT COMPANIES		132	n/a
MORTGAGE	Loan Originator	2682	
	Lending Manager	977	563
	Mortgage Entity	755	112
REAL ESTATE	Sales Agent	10415	3575
	Principal Broker	2702	
	Associate Broker	1344	
	Branch Broker	201	
	Real Estate Co	2324	n/a
	Branch Office	201	n/a
	Dual Broker – (Property Management)	125	n/a
TIMESHARE	Agents	586	n/a
	Companies	75	n/a

Complaints

The chart below will show you by industry the number of complaints we have received in each discipline over the past 12 months and the number of on-going cases. The chart also shows the cases that have been resolved or closed.

	Appraisal	Mortgage	Real Estate	Total
Complaints received this year	58	136	395	589
Complaints currently open	33	43	165	241
Complaints turned down	2	29	109	140
Complaints resolved/closed	76	38	132	246
Complaints pending final action/closure	26	17	28	61

When a complaint is received, it is reviewed for validity to see if a statute or administrative rule has been violated. If it is found to have some basis, the case will then be assigned to an investigator. If there is no basis for the complaint, if it does not fall under our jurisdiction, or if there is not enough evidence to proceed, the complaint may be turned down. After the complaint is thoroughly investigated, a determination of violation will be made and either it will go before the commission/board for a hearing or the licensee may agree to a stipulation. In a small percentage of the cases, the complaints are so serious that they are referred to the attorney general's office or other local authorities for criminal charges. Complaints that are showing closed have either been resolved through an order, a stipulation, or were dismissed in favor of the licensee. Complaints waiting final action are waiting on hearings, signing of a Commission/Board order, or negotiating a potential stipulation.

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Comments from attendees:

“Thank you for bringing this course to us, the PowerPoint was easy to understand and follow”

“I liked hearing about what not to do and real stories of things you’ve found. I really liked all of the presentations.”

“I enjoyed the presentation, very well done and informative. Instructors knew the information well and had a good presentation of the product.”

“I enjoyed the humorous videos and cartoons – it kept things light and entertaining, thank you!”

“CARAVAN is a good program and much appreciated in rural areas of the state. We always appreciate you coming to us.”

“All three presenters are experts in their field. I really appreciate you gentlemen taking time to make me a better agent.”

“Instructors are very well prepared and make the material being presented very interesting.”

“Well prepared and relevant. All three instructors are articulate, informative and entertaining. Well done!”

CARAVAN 2014 Re-Cap

The Utah Division of Real Estate offers a free three hour continuing education course for real estate, appraiser, and mortgage licensees. Jonathan Stewart, Division Director, Mark Fagergren, Director of Licensing and Education, and Jeff Nielsen, Chief Investigator discussed current issues and hot topics facing the real estate, mortgage, and appraisal industries. They are also available to answer any questions or concerns a licensee may have.

The Division of Real Estate traveled to nine different locations throughout the state, including many of the under served areas.

Director Stewart started off his presentation by discussing House Bill 332. The changes for real estate involved changes with education requirements for licenses that expire on inactive, updates on the definition of mailing or emailing licenses, consequences of a broker’s expired license, and contacting a seller directly.

Director Stewart went on to discuss changes in appraisal Legislation including criminal background checks for all applicants and license upgrades, reciprocal licenses, the definition of general fitness, how the board may now delegate authority to the Division, and moving educational requirements from statute to administrative rule.

For the mortgage industry Director Stewart discussed updates on independent loan underwriters.

For all industries Director Stewart discussed the new rules on surrendering a license and statute of limitations.

Director Stewart concluded his presentation by discussing the Real Estate and Residential Mortgage Loan Education, Research, and Recovery Funds. He outlined the ten steps required in order to be able to collect from the fund and reminded licensees what the money in the fund is used for.

Mark Fagergren gave licensees updates in licensing and education in the mortgage, real estate, and appraisal industries.

Mr. Fagergren first talked about the mortgage industry. He reminded licensees that this renewal year, in addition to the 8 hours of NMLS continuing education (CE) credit, licensees will be required to take an additional 2 hour state specific CE course in order to renew their license. In addition to this, he discussed qualifications to become a lending manager, entity employee incentive programs, entity reporting requirements, mortgage call reports, and why Utah does not participate in the Uniform State Test for mortgage licensees.

Mr. Fagergren then talked about licensing and education updates in the real estate industry. He reminded licensees that their notifications for license renewal will now come by email. He also reminded licensees that the Division will no longer mail licenses after a licensee applies for or renews a license.

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Staff Spotlight: Jill Kelsch

Real Estate Licensing Technician



The Division of Real Estate would like to welcome Jill Kelsch as a new real estate licensing technician. Jill was previously working with the Department of Corrections as an office specialist. She brought her office expertise with her to the Division of Real Estate and has been learning very quickly. Jill helps our real estate licensees with initial application and renewal questions along with many other duties. Jill is very pleasant and helpful on the phone and the Division of Real Estate is lucky to have her on the front lines working with licensees.

Outside of work, Jill is a faithful 49er football fan and has been lucky enough to attend two SuperBowls! She also loves watching the LPGA and PGA with her husband to pick up a tip or two for her own golfing game. If Jill isn't getting a hole in one on the golf course then you will probably find her traveling the world, cooking for her loved ones or taking her dog Dewey for a hike up in the mountains. Welcome Jill!



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Instead, licensees are able to print their license at any time, day or night, through RELMS. Mr. Fagergren then asked attendees questions about real estate education and licensing to test attendees' knowledge.

Lastly, Mr. Fagergren talked about updates in the appraisal industry. He gave the good news that up to four certified general qualifying education courses now qualify for up to four licensed/certified residential appraiser qualifying education courses. He also discussed how the Utah appraiser supervisor and trainee qualifications have changed. Lastly, he talked about the newsletter article on bank and/or AMC employees performing evaluations that was posted in the 2013 4th quarter newsletter. The article can be found here: http://realestate.utah.gov/newsletters/newsletter_q4-2013_full.pdf

The Chief Investigator, Jeff Nielsen concluded the CARAVAN event by discussing enforcement trends in the mortgage, appraisal, and real estate industries. Mr. Nielsen gave specific examples on mortgage advertising complaints, unlicensed activity, and loan modification complaints and he gave specific examples that he has recently seen.

Mr. Nielsen continued his presentation by talking about USPAP issues and gave specific case examples. Specifically he discussed ethics/public trust, revised/corrected reports, errors, distressed sales, and reconciliation.

Lastly, Mr. Nielsen discussed Real Estate issues including, advertising and unlicensed activity. He gave specific examples on blind ads, the 1/2 size advertising rule, and team advertisement rules. Mr. Nielsen discussed expired licensees continuing to work, short sale negotiators, trust accounts, and much more.

The Division received meaningful feedback, suggestions, and comments from licensees. The Division appreciates those who took their time to come and participate in this annual event. 

Article Links

<http://www.idfpr.com/dpr/re/ILLApr/IllinoisAppraiserDecember2010.pdf>

pg. 6 by Lee Stansford

http://realestate.utah.gov/newsletters/newsletter_07-2008.pdf

pg. 7, article by Craig Morley in previous Division newsletter

<https://appraisalfoundation.sharefile.com/download.aspx?id=s54c9756b83f43f5a>

Appraisal Practice Board advisory #2: Adjusting for Seller Concessions.

<http://appraisersforum.com/showthread.php?t=183113>

15 pages of discussion by appraisers on the issue of concessions

<http://appraisersforum.com/showthread.php?t=192070>

A great question (see post #7) for the APB on the link above

Theron Case - Investigator

I have been receiving calls with questions concerning seller concessions and how best to address any concessions included on the sale of a comparable.

Training courses that I have attended often taught a "dollar for dollar" adjustment for concessions, and this is what many appraisers still use.

Over the past few years, more information has come to my attention concerning concessions and how appraisers should address them.

An often overlooked portion of the definition of market value used by Fannie Mae (1004 form) states:

**Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's*

reaction to the financing or concessions based on the appraiser's judgment. (Fannie Mae 1004, March 2005, pg. 4)

Instead of trying to rehash something that has been written about by others in the past, I will provide a number of links for you to read about additional insights that may shed light on this important topic. It would be helpful to professionals from all three industries reading this newsletter to gain a better understanding of how appraisers are asked to deal with seller concessions and the links on the left will help to provide a better understanding of this complex issue.

I believe these articles are insightful and shed light on the challenge of making adjustments for seller concessions. I would be interested in hearing how appraisers are handling concessions in their areas of expertise and would appreciate any questions or comments regarding this topic. Interested parties please respond to DREnewsletter@utah.gov



Fourth Notice: Additional Continuing Education Requirements for ALL Mortgage Licensees



Please note, beginning this year, in addition to the 8-hour continuing education requirement to renew your license, you will also need to complete a 2-hour Utah Specific continuing education course that has been approved by The Mortgage Regulatory Commission.

Utah laws and administrative rules are frequently changed, especially the administrative rules. Because of this, the Mortgage Commission has decided to require a Utah Law course as part of your continuing education requirement each year. The length of this course will vary from year to year, depending upon the volume of changes in the preceding year. The duration of the course for 2014 will be two hours and will cover the following: 30 minutes of statutory/rule updates, 75 minutes of case studies involving real-life examples that have come before the Commission, and 15 minutes of Lending Manager responsibilities. **This course will be required to renew your license in 2014 for the 2015 year.**

It is important to note that this course **will not be banked** on your NMLS account. The hours will only be banked with the Division of Real Estate. **In 2014, when you seek your license renewal on the NMLS, the Utah Division of Real Estate will, in addition to the NMLS 8-hour CE requirement, require the completion of this course. Your 2015 mortgage license will not be approved if the 2-hour Utah Law course has not been completed and verified by DRE staff.**

Education providers will be banking this course with the DRE for you. To find providers for this course, visit our website at:

www.realestate.utah.gov and click on the Mortgage tab, the aqua box "How to Renew," and then click on "New Division Renewal Instructions." Or you can also find this course under the Mortgage tab in the blue "Education" box. Link to the phrase "For the Utah Law CE Requirement click here".



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Dodd-Frank and ATR/QM Rule

In reviewing the Dodd-Frank recent roll-out of the ATR/QM Rule and the impact for our licensees, we have found that most of the new requirements are fairly common sense material that our dedicated professionals are most likely already following. But we thought it might be a good idea to recap what it all says....

The ATR/QM Rules took effect January 10, 2014. That seems like just yesterday but they have been in effect now for over five months. Basically, the rules expand underwriting requirements and were not intended to dictate the lender's business decisions. So here are some of the important highlights:

Background

Before the now infamous crisis, ability-to-repay (ATR) requirements only applied to higher-priced and high-cost loans. After the crisis, laws have been strengthened to apply to all closed-end residential mortgages. Qualified Mortgages (QM) are entitled to a presumption of compliance with the ATR.

ATR must be considered for any closed-end consumer loans secured by a dwelling.

These are referred to as covered transactions and include purchase money loans, refinances, and home equity loans. With the roll out of ATR, there are no longer any "no-doc loans" or "stated income loans." There still may be "teaser" loans, balloons, ARMs, and loans with penalties for early payout.

What exactly is ATR?

Here is the working definition: A creditor must not make a loan that is a covered transaction unless the creditor makes a reasonable good faith determination at or before consummation that the consumer will have a reasonable **ability to repay** the loan according to its terms. (Reg Z, 12 CFR 1026.43(c)(1))

Some loan originators may say, at this point, really? Hasn't that always been the idea? It is really going back to the basic principles of qualifying a person for a loan.

There are 8 factors lenders are required to consider in determining the ability to repay:

1. Current or reasonably expected income or assets;
2. Current employment status (Note: if there are enough assets, excluding real estate, employment is not required.);
3. Monthly payment on transaction;
4. Monthly payment on any simultaneous loans creditor knows or has reason to know of (including HELOC);
5. Monthly payment for mortgage-related obligations;
6. Consumer's current debt obligations, alimony, and child support;

7. Monthly debt-to-income (DTI) or residual income; and
8. Consumer's credit history.

These factors and how they are considered are mostly left up to the lender, but they must be reviewed, weighed, and used to determine loan eligibility **consistently** across all their borrowers. Federal examiners will be looking for documentation that will show that the lender, did, indeed, use the above criteria to carefully consider the ATR of the client. The loan file should show the documents that were used to examine the above factors and the calculations for the debt-to-income (DTI) ratio or the residual income of the client. Does the client have enough residual income remaining after the above items are considered in order to meet his/her other expenses and have a reasonable expectation to meet his/her monthly mortgage obligation?

It is important to note that no base line standard or percentage of income for residual income was set in the rule to establish these criteria. The guidelines must be set by the lender and must be consistent in underwriting of all loans. It is also possible that the lender may wish to look at other qualifying factors outside of the eight listed above. This is perfectly fine but must be used in all underwriting if used on one.

Record Retention

The rule requires that lenders retain evidence that they complied with the ATR/QM rule, including the prepayment penalty limitations, for three years after consummation (though they may want to keep records longer for business purposes. (Reg§1026.25(c)(3))



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There is a litigation risk for disregarding ATR. A lender who fails to consider the borrower’s ability to repay a loan faces the risk that the borrower, or a class action on behalf of similarly situated borrowers, or an enforcement action by a state or federal regulator may recover (1) 3 years of finance charges, (2) attorney’s fees, and (3) statutory damages not less than \$400 or greater than \$4,000. There is a three year statute of limitation for affirmative claims.

Qualified Mortgages

Now a little discussion about Qualified Mortgages (QM). QMs provide a safe harbor in the rule with respect to the ATR. Safe harbor QMs are prime loans where the APR is less than 1.5% above the Average Prime Offered Rate (APOR) for first lien QMs and subordinate liens or the APR is less than 3.5% above APOR for small creditor QMs and all subordinate liens. You might ask how the APOR is determined. The APOR is published every Friday and reflects the average of 5 selected bank prime rates. Average prime offer rate means an annual percentage rate that is derived from average interest rates, points, and other loan pricing terms currently offered to consumers by a representative sample of creditors for mortgage transactions that have low-risk pricing characteristics.

The Federal Reserve Board publishes average prime offer rates for a broad range of types of transactions in a table updated at least weekly as well as the

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methodology the Board uses to derive these rates. You can view this table at: <http://www.ffiec.gov/ratespread/aportables.htm>

Qualified mortgages are entitled to a presumption that they comply with the ATR requirements. There are three categories of QMs: standard, temporary government patch, and the balloon-payment QM.

There are two types of presumptions. Under the safe harbor, it is conclusively presumed that the creditor complied with ATR requirement simply because the loan is a QM. The second type of presumption is “rebuttable presumption” for higher-price QMs, meaning that a consumer claiming a violation could still have the opportunity to provide evidence that a creditor did not make a “reasonable and good faith determination” of the

consumer’s ability to repay, but he would have the burden to prove the claim. A QM becomes a rebuttable presumption when the APR exceeds 1.5% or more above the APOR for first lien or a APR is 3.5% or more over APOR on subordinate lien. The following chart outlines the requirement for each type of QM.

- * Cap is adjusted for smaller loans based on a 5-tiered chart.
- ** There is a new Appendix Q that is used for the 43% DTI calculation and is only required for standard QM.

The points and fees calculation is an important part of the QM process and should be carefully reviewed to determine if the right items are included. A miscalculation in this area could result in the loan losing its QM status.

For information on the rule and for the points and fees calculations see: www.fdic.gov/news/news/financial

Type of QM	Requirements
Standard QM	Regular, periodic payments Maximum of 30-year term 3% points and fees cap* Underwriting must consider monthly payment of all mortgage-related obligations Income or assets used in make ATR determination must be considered 43% back-end DTI cap**
Temporary Government Patch QM	First three standard QM requirements apply
Balloon-Payment QM	Loans must be eligible to be purchased or guaranteed by a GSE while under conservatorship or receivership or insured or guaranteed by HUD, VA, USDA, or RHS Must be eligible creditor (small creditor serving rural or underserved community) First three standard QM requirements apply DTI or residual income must be considered but no 43% requirement. No negative amortization or interest-only loans Must be portfolio loan – cannot be sold within 3 years or loses QM status except to another qualifying creditor

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Second Quarter Licensing and Disciplinary Actions

Please note that Utah law allows 30 days for appeal of an order. Some of the actions below might be subject to this appeal right or currently under appeal.

To view entire stipulations and/or orders search here:

<http://realestate.utah.gov/actions/index.html>

APPRAISAL

HAWTHORNE, JAMES GREG, state-certified general appraiser. In an April 24, 2014 order, Mr. Hawthorne's application for licensure through reciprocity was granted upon the condition that he remain compliant with court requirements in a criminal case. Case number AP-14-70260

MORTGAGE

BANKS, MERISSA LYNN, mortgage loan originator. In an April 10, 2014, order, Ms. Banks's license was granted and placed on probation due to criminal history and bankruptcy. Case number MG-14-70209

BARROW, JR., DON RICHARD, mortgage loan originator. In a March 26, 2014, order, Mr. Barrow's license was suspended until he pays a civil penalty previously ordered to be paid. Case No. MG-07-34791

CEPEDA, III, FREDERICO, mortgage loan originator. In an April 28, 2014, order, Mr. Cepeda's license was granted and placed on probation due to outstanding civil judgments and tax liens. Case number MG-14-70296

EAGAN, MICHAEL S., mortgage lending manager. In a March 26, 2014, order, Mr. Eagan's license was suspended until he pays a civil penalty previously ordered to be paid. Case No. MG-13-66135

FULLER, BRETT SCOTT, mortgage loan originator. In a March 21, 2014, order, Mr. Fuller's license was granted and placed on probation for delinquent taxes and a child support arrearage. Case No. MG-14-69944

LAMPELL, STELLA, mortgage loan originator. In an April 10, 2014, order, Ms. Lampell's license was granted and placed on probation due to outstanding civil judgments. Case number MG-14-70117

MOLINA, CARLOS MICHAEL, lending manager. In a March 3, 2014, order, Mr. Molina's license was granted and placed on probation due to his criminal history. Case number MG-14-69548

SANDERS, NATHAN WALTER, mortgage loan originator. In an April 16, 2014, order, Mr. Sanders's license was granted and placed on probation due to outstanding tax obligations. Case number MG-14-70197

SMITH, JEREMIAH TRUMAN,

mortgage loan originator. In a March 12, 2014, order, Mr. Smith's license was granted and placed on probation due to a recent and a current bankruptcy proceeding. Case number MG-14-69682

STANTON, JEFFREY ALLEN, lending manager. In a May 9, 2014, order, Mr. Stanton's license was granted and placed on probation due to his criminal history. Case number MG-14-70471

TELEKESY, MICHAEL STEPHEN, mortgage loan originator. In an April 27, 2014, order, Mr. Telekesy's license was granted and placed on probation due to delinquent taxes. Case number MG-14-70327

TRAYNHAM, WALTER MICHAEL, mortgage loan originator. In an April 14, 2014, order, Mr. Traynham's license was granted and placed on probation due to a delinquent tax obligation and his criminal history. Case number MG-14-70208

REAL ESTATE

ASAY, DARCY RAE, sales agent. In a March 11, 2014, order, Ms. Asay's license was granted and placed on probation for the licensing period due to her criminal history. Case number RE-14-69655

BALLOU, DAVID, sales agent. In a March 31, 2014, order, Mr. Ballou's license was granted and placed on probation for the licensing period due to his criminal history. Case number RE-14-69961

BATTY, BENJAMIN, sales agent. In a March 6, 2014, order, Mr. Batty's license was granted and placed on probation for the licensing period due to his criminal history. Case number RE-14-69614

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BEARD, ROSALIND, sales agent. In an April 11, 2014, order, Ms. Beard's application for licensure was denied for criminal history and because Ms. Beard had reviewed personal items during an unscheduled break while taking the real estate examination. Case No. 70146. In a May 6, 2014 order, Ms. Beard's application for licensure was granted and placed on probation after she had retaken the examination. Case No. RE-14-70402

BEESLEY, BENJAMIN, sales agent. In a stipulated order dated May 20, 2014, Mr. Beesley admitted to having failed to execute a limited agency acknowledgement form while representing a client with regard to an offer from a buyer represented by another agent from his brokerage. Mr. Beesley agreed to pay a civil penalty of \$500. Case number RE-12 61097

BRADFORD, ANGELA MARIE, sales agent. In a stipulated order dated May 20, 2014, MS. Bradford admitted that she failed to disclose criminal history in her application for licensure. Ms. Bradford agreed to pay a civil penalty of \$500 and to have her licensed placed on probation for the initial licensing period. Case number RE-14-70037

BULLOCH, STORMY, principal broker. In a stipulated order dated May 20, 2014, Ms. Bulloch admitted to having changed the status of a sold listing on the multiple listing service to avoid a negative impact on the appraisal

of another property listed with her brokerage. Ms. Bulloch agreed to pay a civil penalty of \$6,000 and to take two hours of continuing education. Case number RE-13 63245

BURGOYNE, KARI, sales agent. In a May 7, 2014, order, MS. Burgoyne's license was granted and placed on probation for the licensing period due to her criminal history. Case number RE-14-70431

CAIN, CHRISTOPHER, sales agent. In an April 28, 2014, order, Mr. Cain's license was granted and placed on probation for the licensing period due to his criminal history and a pending criminal charge. Case number RE-14-70297

COBBLEDICK, DEAN J., sales agent. In a March 13, 2014, order, Mr. Cobbledick's license was renewed and placed on probation for the licensing period due to his criminal history. Case number RE-14-69657

COLEMAN, TODD, sales agent. In a stipulated order dated May 20, 2014, Mr. Coleman admitted that he failed to disclose criminal history in his application for licensure. Mr. Coleman agreed to pay a civil penalty of \$500 and to have his license placed on probation for the initial licensing period. Case number RE-14-70469

CORNFORTH, CRAIG D., sales agent. In a March 11, 2014, order, Mr. Cornforth's license was granted and placed on probation for the licensing period due to his criminal history and pending criminal charges. Case number RE-14 69667

ELLIS, CLAYBORN, sales agent. In an April 28, 2014, order, Mr. Ellis's application for licensure was denied due to his criminal history. Case number RE-14-70308

ESKELSON, ALEXANDRA, sales agent. In a March 11, 2014, order, Ms. Eskelson's license was granted and placed on probation for the licensing period due to her criminal history. Case number RE-14-69661

EVANS, CHRISTOPHER J., sales agent. In a May 21, 2014, order, Mr. Evans's license was granted and immediately suspended for 30 days. Following the 30-day suspension, Mr. Evans's license will be placed on probation for the remainder of the initial licensing period. This action was taken because Mr. Evans failed to disclose criminal history in his application for licensure. Case number RE-14-70628

EVANS, JOSEPH, sales agent. In a May 21, 2014, order, Mr. Evans's license was granted and immediately suspended for 30 days. Following the 30-day suspension, Mr. Evans's license will be placed on probation for the remainder of the initial licensing period. This action was taken because Mr. Evans failed to disclose criminal history in his application for licensure. Case number RE-14 70627

FOX, J. DANIEL, principal broker. In a March 13, 2014, order, Mr. Fox's license was renewed and placed on probation for the renewal period due to his failure to disclose a civil judgment in his application for licensure. Case number RE-14 69658

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GUZZO, BRANDON LEE, sales agent. In an April 29, 2014, order, Mr. Guzzo's license was granted and placed on probation for the licensing period due to unpaid civil judgments and tax liens and due to a prior licensing sanction. Case number RE-14-70329

HANCK, BRIAN H., sales agent. In an April 1, 2014, order, Mr. Hanck's license was granted and placed on probation due to a judgment lien for unpaid child support and a finding of contempt against Mr. Hanck for failing to pay child support. Case number RE-14-69976

HENINGER, BRANDI, sales agent. In a March 6, 2014, order, Ms. Heninger's license was granted and placed on probation for the licensing period due to her criminal history. Case number RE-14-69602

HOLT, KELLI N., sales agent. In an April 4, 2014, order, Ms. Holt's license was granted and placed on probation for the licensing period due to her criminal history. Case number RE-14-70036

JACKSON, MEGAN, sales agent. In a March 6, 2014, order, Ms. Jackson's license was granted and placed on probation for the licensing period due to her criminal history. Case number RE-14-69610

JANSEN, JASEY, sales agent. In an April 4, 2014, order, Mr. Jansen's license was granted and placed on probation for the licensing period due to his criminal history. Case number

RE-14-70039

JENKINS, KAYLEE, sales agent. In a May 2, 2014, order, MS. Jenkins's license was granted and placed on probation for the licensing period due to her criminal history. Case number RE-14-70380

KEATING III, DENNIS, sales agent. In a May 2, 2014, order, Mr. Keating's application for licensure was denied due to unpaid civil judgments and a permanent injunction from future violations in a matter brought by the United State Securities and Exchange Commission. Case number RE-14-70375

KONCAR, MICHAL S., continuing education instructor. In a stipulated order dated May 20, 2014, Ms. Koncar admitted to having provided continuing education instruction during a period of time that she was not certified. Ms. Koncar agreed to pay a civil penalty of \$500. Case number RE-14-70149

LANGFORD, SCOTT R., sales agent. In an April 4, 2014, order, Mr. Langford's license was renewed and placed on probation for the pendency of the court proceedings due to a pending criminal matter in case number 141000156. Case number RE-14-70034

LARSEN, PETER. M., continuing education instructor. In a March 18, 2014, order, Mr. Larsen's license was granted and placed on probation for the initial licensing period due to his criminal history. Case number RE-14-69779

LAURITZEN, ROBERT, sales agent. In an April 25, 2014, order, Mr. Lauritzen's license was granted and placed on probation for the initial licensing period due to his criminal history. Case number RE-14-70283

LOGAN, CHAD, sales agent. In an April 25, 2014, order, Mr. Logan's license was granted and placed on probation for the pendency of the court proceedings due to a pending criminal matter in case number 141300080. Case number RE-14-70287

MAACK L. DAN, principal broker. In a May 6, 2014, order, Mr. Maack's license was renewed and placed on probation for the pendency of the court proceedings due to a pending criminal matter in case number 131411971. Case number RE-14-70411

MARTUSHEV, VAVARA, sales agent. In a March 18, 2014, order, MS. Martushev's license was granted and placed on probation for the initial licensing period due to her criminal history. Case number RE-14-69776

MIDGLEY, BRIAN JAY, sales agent. In an April 9, 2014, order, Mr. Midgley's license was renewed and placed on probation for the renewal period due to his criminal history. Case number RE-14-70106

MINER, COREY, sales agent. In an April 25, 2014, order, Mr. Miner's license was granted and immediately suspended for 30 days. Following the 30-day suspension, Mr. Miner's license will be placed on probation for the remainder of the initial licensing period. This action was taken because Mr. Miner failed to disclose criminal history in his application for licensure. Case number RE-14-70284

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NEFF, ROBERT BRADLEY, continuing education instructor. In a May 29, 2014, order, Mr. Neff's license was denied due to his criminal history and a licensing matter in another profession. Case number RE-14-70739

OLDROYD, SCOTT, associate broker. In a May 12, 2014, order, Mr. Oldroyd's license was renewed and placed on probation for the renewal period due to an unsatisfied civil judgment and unpaid taxes. Case number RE-14-70489

PACE, JADE LINDSAY, sales agent. In a May 7, 2014, order, Ms. Pace's license was granted and placed on probation for the initial licensing period due to her criminal history. Case number RE-14-70428

POND, DAN, associate broker. In a March 31, 2014, order, Mr. Pond's license was granted and placed on probation for the initial licensing period due to a stayed suspension of his California broker's license. Case number RE-14-69966

ROBERTS, SAMUEL MUNCK, sales agent. In a May 6, 2014, order, Mr. Roberts's license was granted and placed on probation for the initial licensing period due to his criminal history. Case number RE-14-70415

SNOW, JENNIFER, sales agent. In a March 6, 2014, order, Ms. Snow's license was granted and placed on probation for one year due to her criminal history. Case number RE-14-69611

SMITH, NICOLE, sales agent. In a March 6, 2014, order, Ms. Smith's license was granted and placed on probation for the initial licensing period due to her criminal history. Case number RE-14-69605

STRONG, JOHN BRETT, sales agent. In a May 13, 2014, order, Mr. Strong's license was granted and immediately suspended for 11 months. Following the suspension, Mr. Strong's license will be placed on probation for the remainder of the initial licensing period. This action was taken because Mr. Strong failed to disclose criminal history in his application for licensure. Case number RE-14-69672

WATTS, SUZANNA M., sales agent. In a May 21, 2014, order, Ms. Watts's license was granted and immediately suspended for 30 days. Following the 30-day suspension, Ms. Watts's license will be placed on probation for the remainder of the initial licensing period. This action was taken because Ms. Watts failed to disclose criminal history in her application for licensure. Case number RE-14-70624

WEST MARTHA, associate broker. In an April 11, 2014, order, Ms. West's license was renewed and immediately suspended for 90 days. Following the suspension, Ms. West's license will be placed on probation for the remainder of the renewal period. This action was taken because Ms. West failed to report a plea in abeyance entered in a criminal case within ten days as required and while her license was on probation. Case number RE-14-70143

WESTENSKOW, ANDREW, sales agent. In an April 11, 2014, order, Mr. Westenskow's license was granted and placed on probation for the initial licensing period due to his criminal history. Case number RE-14-70137

WIGHT, LINDA, sales agent. In a stipulated order dated May 20, 2014, Ms. Wight admitted to having failed to provide her client a limited agency acknowledgement prior to submitting an offer on a property listed with another agent from her brokerage. Ms. Wight agreed to pay a civil penalty of \$500. Case number RE-14-70217

WILLIAMS, ZACHARY S., sales agent. In a May 22, 2014, order, Mr. Williams's license was granted and placed on probation for the initial licensing period due to his criminal history. Case number RE-14-70634



THANK YOU