

**OKLAHOMA REAL ESTATE COMMISSION
AGENDA – BUSINESS MEETING
MARCH 10, 2010**

AGENDA

I. OPENING OF BUSINESS MEETING

- A. Call to Order: 8:30 a.m.**
- B. Approval of Minutes from the February 10th regular meeting**
- C. Public Participation (Open Topic)**
- D. The Commission May Vote to Approve, Disapprove or Take Other Action on any Item Listed on this Agenda**
- E. Public Rule Hearing at 10:30 a.m. for adoption of permanent rules to be effective July 1, 2010:**
 - 605:10-1-2. Definitions
 - 605:10-3-2. Application for license
 - 605:10-3-6. Continuing education requirements
 - 605:10-5-1. Approval of prelicense course offerings
 - 605:10-5-1.1 Approval of postlicense course offerings
 - 605:10-5-2. Approval of continuing education offerings
 - 605:10-5-3. Standards for Commission approved real estate courses
 - 605:10-7-1.1. Documentation required for compliance necessary to verify citizenship, qualified alien status and eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996
 - 605:10-7-4. Request for activation or re-issuance of license
 - 605:10-7-9. Nonresident licensing
 - 605:10-9-1. Place of business and Broker Requirements
 - 605:10-9-4. Advertising
 - 605:10-11-2. Associate licenses
 - 605:10-13-1. Duty to account; broker
 - 605:10-13-2. Duty to account; associate
 - 605:10-17-4. Prohibited dealings
 - 605:10-17-5. Substantial misrepresentation
 - Appendix A. Residential Property Condition Disclosure Statement

II. FORMAL ACTION – APPEALS/HEARINGS

A. APPLICANT APPEAL

A-2009-040 – **BRYAN ANDREW METHVIN (PSA) – MOORE (SOKOLOSKY)**: *Mr. Methvin was scheduled to appear before the Commission with his sponsoring broker on February 10, 2010, but the broker failed to appear. A decision on his appeal was tabled pending the appearance of the broker.*

Administratively denied on October 29, 2009 based on the fact that he disclosed on his application that he had “received a conviction, was presently on parole or probation, and in the last ten (10) years had received a deferred sentence which was later dismissed.” Information provided to and gathered by the Investigation Department revealed the following:

CM-09-0298 (February 1, 2009) Cleveland County, Oklahoma: Charged with Domestic Assault and Battery/Abuse and received a one (1) year deferred sentence, Domestic Violence Counseling and ordered to pay \$421.50 in fines and court costs. His deferred sentence is scheduled to end on June 23, 2010 and he is paying \$50.00 per month towards the fine and court costs.

A-2010-014 – **GAIL YVONNE JOHNSON (PSA) – OKLAHOMA CITY (SOKOLOSKY)**: Administratively denied on January 20, 2010 based on the fact that she disclosed that she had been convicted of a crime. Information provided to and gathered by the Investigation Department revealed the following:

CRF-72-1839 (May 4, 1972) Oklahoma City, Oklahoma: Charged with Concealing Stolen Property, and received one (1) year suspended sentence and court costs;

CRF-73-1439 and CRF-73-1440 (May 24, 1973) Oklahoma City, Oklahoma: Charged with Concealing Stolen Property and Assault with a Dangerous Weapon, and received one (1) year in jail and ordered to pay court costs;

September 12, 1974 Oklahoma City, Oklahoma: Charged with Grand Larceny (Felony) – Applicant stated this was not her charge and there are no records available;

CF-1975-3658 (September 26, 1975) Oklahoma City, Oklahoma: Charged with Grand Larceny, and was sentenced to three (3) years in jail;

April 18, 1977 Oklahoma City, Oklahoma: Charged with Grand Larceny (Felony) – Applicant stated this was not her charge and there are no records available;

December 23, 1980 Oklahoma City, Oklahoma: Charged with Grand Larceny (Felony), and received a two (2) year deferred sentence – Applicant stated this was not her charge and there are no records available;

CF-1983-2021 (April 6, 1983) Oklahoma City, Oklahoma: Charged with Forgery (Felony) and was sentenced to two (2) years in jail;

CF-1988-2815 (May 12, 1988) Oklahoma City, Oklahoma: Charged with Possession of Controlled Dangerous Substance (CDS) and was sentenced to forty (40) years in jail, but was discharged on August 9, 2001;

77062-3 (May 29, 1970) Oklahoma City, Oklahoma: Charged with Interfering with an Officer, but no sentencing information was provided;

CRF-73-1938 (July 18, 1973) Oklahoma City, Oklahoma: Charged with Petit Larceny after Former Conviction of a Felony (AFCF) and was sentenced to one (1) year in jail to run concurrent with CRF-73-1440;

October 19, 1973 Oklahoma City, Oklahoma: Charged with Violating the Selective Service Act – Applicant stated that this was not her charge and there are no records available;

February 5, 1975 Oklahoma City, Oklahoma: Charged with Grand Larceny and Possession of Marijuana – Applicant stated that this was not her charge and there are no records available, and

January 13, 1978 Oklahoma City, Oklahoma: Charged with Possession of Stolen Mail – Applicant stated that this was not her charge and there are no records available.

B. CONSENT AGREEMENT

C-2008-054 – **CARLENE HEIDBRINK (BP) – TULSA (PRESLAR)**: Violations by respondent:

Title 59 O.S. §858-401, in that she engaged in licensable real estate activities while having an inactive license and received a commission or other valuable consideration from those transactions.

Consented: Respondent Heidbrink has consented to assessment of a formal reprimand and payment of an administrative fine of Seven Hundred Fifty Dollars (\$750.00).

UC-2008-004 – **PRIME PROPERTIES TULSA LLC, DAVID EDWARD KADLECK II (BM), ROBERT JAMES ABBOTT (SA), JOSH FARMER (SA), JAMIE HAMPSHIRE (UNLICENSED), LINDA SCHILZ (SA), KEVIN MARTIN (UNLICENSED) AND PRIME RESIDENTIAL PROPERTIES INCORPORATED (UNLICENSED) – TULSA (PRESLAR)**:

Violations by Respondents Prime Residential Properties and Josh Farmer: *Title 59 O.S. §858-102, Subsection 2, Title 59 O.S. §858-301 and Title 59 O.S. §858-401*, in that they engaged in unlicensed activities and conducted real estate transaction requiring licensure with the State of Oklahoma.

Violations by Respondents Prime Properties Tulsa LLC and David E. Kadleck II: *Title 59 O.S. §858-312, Subsections 2, 8, 9 and 14 and Rule 605-10-9-1(a)(d)(e)*, in that they failed to maintain a physical place of business.

No evidence was presented to indicate any violation of the Oklahoma Real Estate License Code and Rules by Respondents Robert Abbott, Jamie Hampshire, Kevin Martin and Linda Schilz.

Consented: Respondents Prime Properties Tulsa LLC, David Kadleck II, Prime Residential Properties Incorporated and Josh Farmer have consented to payment of an administrative fine of Eight Thousand Dollars (\$8,000.00), and the case against Respondents Robert Abbott, Jamie Hampshire, Kevin Martin and Linda Schilz will be dismissed.

C. HEARING EXAMINER REPORT

C-2008-076 – DYTON TRENT BEAVER (SA) – TULSA (SOKOLOSKY): On January 11, 2010, the Hearing Examiner found the respondent to be in violation of *Title 59 O.S. §858-312, Subsections 1 and 9*, in that he made a materially false statement on his application for license renewal to the Oklahoma Real Estate Commission.

Recommendation: That Dyton Trent Beaver be formally reprimanded and required to pay an administrative fine of Seven Hundred Fifty Dollars (\$750.00).

- *Executive Session pursuant to 25 O.S. §307(B) (8), for the purpose of discussing the Hearing Examiner's recommendation and appropriate discipline, if any:*
 1. Vote to enter into Executive Session.
 2. Discussion in Executive Session.
 3. Vote to return to Open Session.
 4. Commission to vote/take appropriate action on Hearing Examiner's recommendation.

E-2008-001 – CAROLINE WALTERS (BP) – EDMOND (KISNER): On January 11, 2010, the Hearing Examiner found the respondent to be in violation of:

1) *Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-5-2(g)(4)*, in that she failed to submit to the Commission within the required five (5) day period of time, the roster of licensees who had completed Real Estate Courses BRM037, ECO001, CLO002 and FHR065, and

2) *Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-5-2(k)(2,4 and 8)*, in that she taught Real Estate Courses BRM037, ECO001, CLO002 and FHR065 after said courses had expired.

Recommendation: that Respondent Carolene Walters be required to pay an administrative fine of Two Hundred Dollars (\$200.00) for each violation, for a total of Four Hundred Dollars (\$400.00).

- *Executive Session pursuant to 25 O.S. §307(B) (8), for the purpose of discussing the Hearing Examiner's recommendation and appropriate discipline, if any:*
 1. Vote to enter into Executive Session.
 2. Discussion in Executive Session.
 3. Vote to return to Open Session.
 4. Commission to vote/take appropriate action on Hearing Examiner's recommendation.

C-2008-078 – CROSSLIN REAL ESTATE LLC, BILLIE CROSSLIN (BA) AND JOYCE G. WILLIS (SA) – TAHLEQUAH (KISNER): On January 11, 2010 the Hearing Examiner reported that Respondent Willis was found to be in violation of *Title 59 O.S. §858-312, Subsections 6, 8 and 9 and Rules 605:10-13-2(1) and 605:10-17-4(12)*, in that she failed to turn over the earnest money checks to her broker, Billie Crosslin.

Respondent Billie Crosslin was found to be in violation of *Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-17-4(6)*, in that she failed to supervise the activities of Respondent Willis in the transaction between Dewees and Tannen.

Respondent Crosslin Real Estate LLC did not violate any provision of the Oklahoma Real Estate License Code.

Recommendation: That Respondents Joyce Willis and Billie Crosslin be required to pay an administrative fine of Five Hundred Dollars (\$500.00) each.

- *Executive Session pursuant to 25 O.S. §307(B) (8), for the purpose of discussing the Hearing Examiner's recommendation and appropriate discipline, if any:*
 1. Vote to enter into Executive Session.
 2. Discussion in Executive Session.
 3. Vote to return to Open Session.
 4. Commission to vote/take appropriate action on Hearing Examiner's recommendation.

C-2008-089 – LEROY L. KROHMER (BP) – NOBLE (KISNER): On January 11, 2010 the Hearing Examiner reported that the respondent was found in violation of *Title 59 O.S. §858-312, Subsection 9*, in that he failed to appear for his scheduled office inspections.

Recommendation: That the respondent be formally reprimanded.

- *Executive Session pursuant to 25 O.S. §307(B) (8), for the purpose of discussing the Hearing Examiner's recommendation and appropriate discipline, if any:*
 1. Vote to enter into Executive Session.
 2. Discussion in Executive Session.
 3. Vote to return to Open Session.
 4. Commission to vote/take appropriate action on Hearing Examiner's recommendation.

III. COMPLAINTS/INVESTIGATIONS

A. CASE EXAMINER REPORT / PRELIMINARY INVESTIGATION

U-2008-014 – SOUTHWEST INVESTMENTS (UNLICENSED) AND RICHARD PAYNE, JR. (UNLICENSED) – MCALESTER (HOLMES): Possible violation by Respondents: *Title 59 O.S. §858-102, Subsection 2, Title 59 O.S. §858-301 and Title 59 O.S. §858-401*, in that they may have conducted real estate transactions which require an active real estate license.

Recommendation: Set Formal Hearing.

C-2008-083 – LADONNA DELYNNE PAYNE (BM) AND SOUTHWEST HOTEL LLC – MCALESTER (HOLMES): Possible violations by Respondents:

- 1) *Title 59 O.S. §858-312, Subsection 9* – may have failed to register and license Southwest Hotel LLC and committed acts outside the scope of a broker's supervision;
- 2) *Title 59 O.S. §858-312, Subsections 14 and 21* – may have paid a commission or abetted in the payment of a commission to an unlicensed person;
- 3) *Title 59 O.S. §858-356, Subsections (A)(B)* – may have failed to obtain written brokerage agreements and attach the purchase contracts and maintain the transaction broker disclosure forms in the broker's file;
- 4) *Title 59 O.S. §858-102, Subsection 2 and Rule 605:10-7-1* – may have acted as a broker and operated a broker's office without first being licensed to do so;
- 5) *Rule 605:10-17-4 (14)* – may have performed acts and business by intentionally acting as a broker when not licensed to do so;
- 6) *Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-11-1 (a)* – may have acted outside the scope of a sponsoring broker by obtaining sales contracts in their own name;
- 7) *Title 59 O.S. §858-312, Subsections 2, 8 and 9 and Rule 605:10-17-4 (4)* – may have submitted to the Commission a purported back-dated listing agreement that had no property description and attached a Transaction Broker Disclosure form that was not in publication on the purported signing date, both in the name of an unlicensed entity, and
- 8) *Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-11-1 (c)* – may have disregarded the Rules of the Commission by being a partner of, employer or associate of and working with an unlicensed individual while performing licensable activities.

Recommendation: Set Formal Hearing.

C-2009-021 – SUSAN C. PRYOR (SA) – TULSA (KISNER): Possible violations by respondent: *Title 59 O.S. §858-312, Subsection 15*, in that she may have been found Guilty of Manslaughter in the First Degree in the District Court in and for Tulsa County, Oklahoma.

Recommendation: Set Formal Hearing.

C-2008-021 – LONGWITH REAL ESTATE SERVICES LLC AND BARBARA J. LONGWITH (BM) – BROKEN ARROW (SOKOLOSKY): There was no indication of any violation of the Oklahoma Real Estate License Code by the respondents.

Recommendation: Close case.

C-2008-094 – ARICK R. ANDERSON (B) – BROKEN ARROW (SOKOLOSKY): Possible violations by respondent:

- 1) *Title 59 O.S. §858-312, Subsections 9 and 15*, in that he may have, on January 24, 2004, entered a plea of "Nolo Contendere" to seven (7) felony counts of Assault and Battery/Domestic, in the District Court of Tulsa County, Oklahoma (Case Number CF-2002-3499), and

2) *Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-9-4(b)(3)(B)*, in that he may have failed to register with the Oklahoma Real Estate Commission the personal nickname or alias which he is currently using, "Sonny" Anderson.

Recommendation: Set Formal Hearing.

B. INVESTIGATOR REPORT

C-2009-007 – **JOHN HAUSAM INCORPORATED, JOHN LOUIS HAUSAM (BM) AND JOHN F. HAUSAM (BA) – TULSA (KUEFFLER)**: The complainant alleged that Respondent John Louis Hausam failed to return an earnest money deposit in the amount of \$2,000.00 to him regarding a contract that failed to consummate in 1994.

After review of the allegations, there was no evidence received to indicate a violation of the Oklahoma Real Estate License Code and Rules that would sustain a complaint against the respondents.

Recommendation: Close case.

C-2009-049 – **Longburk Real Estate Incorporated (CP), Lillian Colette Miller (BM) and Lenore M. Clark (SA) – Midwest City (Danley)**: The complainants alleged that the respondents failed to properly maintain personal information, which may have led to possible identity theft, and that they discriminated against a disabled person requiring the use of service animals, after applying to rent an apartment managed by the respondents.

After review of the allegations, there was no evidence received to indicate a violation of the Oklahoma Real Estate License Code and Rules that would sustain a complaint against the respondents.

Recommendation: Close case.

IV. GENERAL BUSINESS

- 1) Legislative Updates:
 - a. **SB1379:** Private Attorney Retention Sunshine Act
 - b. **SB2305:** License Exemption for Cabin Rental Managers
 - c. **SB2098:** CLEET Certification authorizing OREC Investigators to be Certified Peace Officers
- 2) Review and discussion of letter received at the Commission from Representative Daniel Sullivan (R–District 71) requesting cessation of current investigations in Southeast Oklahoma
- 3) Review and discussion of situations where licensees are having sellers strike their previous signature and date on the Residential Property Condition Disclosure forms and re-signing and re-dating them, in order to extend the 180 day completion date

- 4) Information regarding the ARELLO District 6 Meeting in Johannesburg, South Africa May 24 – 27, 2010
- 5) Consideration of items to be discussed at next Commission Meeting

V. FINANCIAL AND FISCAL

Financial report for February FY 2010

VI. EDUCATION

- 1) Report from the Education and Licensing Program Director
- 2) Education Advisory Committee Members selected to serve an additional three (3) year term:
 - a. Maggie Shirk – Oklahoma Association of Realtors (OAR)
 - b. Ed Hatch – Oklahoma Real Estate Educators Association (OREEA)
 - c. Bud Engstrom – Oklahoma Real Estate Commission (OREC)

VII. INDUSTRY UPDATES

- 1) Report from Broker Relationships Act (BRA) Task Force
- 2) Report from Contract Committee
- 3) Report from Errors and Omissions (E&O) Task Force
- 4) Report from Real Estate Research Center Task Force

VIII. PERSONNEL

No action

IX. NEW BUSINESS

Any new business not known about or which could not have been reasonably foreseen prior to the time of posting of the agenda

X. ACTION ON NEXT MEETING DATE

Next meeting scheduled for April 14, 2010

XI. ADJOURNMENT