



North Dakota Real Estate Commission

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August 11, 2016

8:30 A.M.

North Dakota Real Estate Commission

1110 College Dr, Ste 209

Bismarck, ND 58501

Members

Chair
Jerry Schlosser
Bismarck

Vice Chair
Diane R. Louser
Minot

Roger M. Cymbaluk
Williston

Scott A. Breidenbach
West Fargo

Jerome C. Youngberg
Grand Forks

Patricia M. Jergenson
Executive Director

Present: Jerry Schlosser/Chair, Diane Louser/Vice Chair, Roger Cymbaluk/Member, Scott Breidenbach/Member, Jerry Youngberg/Member, Patricia M. Jergenson/Executive Director, Constance Hofland/Special Assistant Attorney General

1. CALL MEETING TO ORDER. Chair Schlosser called the meeting to order. Roll call was taken, Commissioners Schlosser, Cymbaluk, and Breidenbach were present in person. Commissioners Louser and Youngberg were present by conference call.
2. REVIEW MINUTES OF JUNE 16, 2016 MEETING. Commissioner Cymbaluk moved, seconded by Commissioner Louser to approve the June 16, 2016 minutes as presented. M/C
3. MAY AND JUNE FINANCIAL REPORTS. Executive Director Jergenson presented the financial reports for May and June 2016. There were overages in expense accounts 525 Office supplies, 528 Professional fees, 503 Property & Liability Insurance, and 531 Credit card fees. Commissioner Youngberg moved, seconded by Commissioner Cymbaluk to accept the May and June 2016 financial reports. Commissioner Youngberg moved, seconded by Commissioner Breidenbach to approve the overages. M/C
4. LEGAL UPDATE: SPECIAL ASSISTANT ATTORNEY GENERAL CONSTANCE HOFFLAND:
 - a. Complaint #2016-03 NDREC v James D. Huskey: Memorandum. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Louser moved, seconded by Commissioner Youngberg to dismiss this complaint. M/C
 - b. Complaint #2016-07 NDREC v Thomas N. Anderson, Julie A. Breidenbach, Derek O. Christopherson & Kipp A Harris: Memorandum. Commissioner Breidenbach recused himself from discussion and voting on this complaint. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Cymbaluk moved, seconded by Commissioner Louser to accept Kipp Harris' Stipulation and Settlement Agreement and dismiss the complaint against Thomas N. Anderson, Julie A. Breidenbach, and Derek O. Christopherson. M/C

- c. Complaint #2016-18 Charlotte Holverson v Jodee Fandrich Foss & Phyllis Christianson: Memorandum. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Breidenbach moved, seconded by Commissioner Louser to dismiss this complaint. M/C
 - d. Complaint #2016-19 Charlotte Holverson v Jodee Fandrich Foss, Phyllis Christianson & Lucas P. Walth: Memorandum. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Breidenbach moved, seconded by Commissioner Louser to dismiss this complaint. M/C
 - e. Complaint #2016-20 Charlotte Holverson v Jodee Fandrich Foss: Memorandum. Special Assistant Attorney General Connie Hofland presented her results of the investigation of this complaint. Commissioner Breidenbach moved, seconded by Commissioner Louser to dismiss this complaint. Commissioners asked Ms. Hofland to provide clarification of the timing of earnest money deposits. (NDCC 43-23-11.1(t) and NDAC 70-02-01-15(1)(g)). M/C
 - f. Executive Director Jergenson informed the Commission that staff has been trying to get trust account records from Lori Lingnefelter, broker of Bekk's Realty, Inc., since November 2015. The consensus of the Commission is to continue with previously filed complaint and take no action on this issue.
5. REVIEW LICENSE APPLICATIONS:
- a. Commissioners reviewed the application of Ryan J. Ditterick for a salesperson license. Mr. Ditterick joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Breidenbach moved, seconded by Commissioner Cymbaluk to approve Mr. Ditterick to sit for the salesperson license examination. M/C
 - b. Commissioners reviewed the application of James L. Gerhardson for a salesperson license. Mr. Gerhardson joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Breidenbach moved, seconded by Commissioner Louser to approve Mr. Gerhardson to sit for the salesperson license examination. M/C
 - c. Commissioners reviewed the application of Leighton A. Griffith for a salesperson license. Mr. Griffith joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Youngberg to approve Mr. Leighton to sit for the salesperson license examination pending documentation showing that his probation has been completed is provided to staff. M/C
 - d. Commissioners reviewed the application of Rachel Helton for a salesperson license. Ms. Helton joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Louser to table Ms. Helton's application until she can provide documentation to the Commission regarding the issues on her background and credit reports. M/C
 - e. Commissioners reviewed the application of Kelly R. Kiernan for a salesperson license. Mr. Kiernan joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Breidenbach moved, seconded by Commissioner Louser to approve Mr. Kiernan to sit for the salesperson license examination. M/C

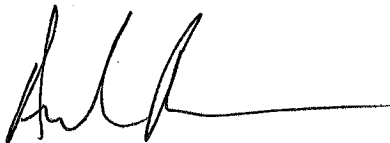
- f. Commissioners reviewed the application of Stephen J. Leventes for a reciprocal salesperson license. Mr. Leventes joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Breidenbach to issue Mr. Leventes' reciprocal salesperson license. M/C
 - g. Commissioners reviewed the application of Brian L. Osowski for a salesperson license. Mr. Osowski joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Breidenbach to table Mr. Osowski's application until he can provide a letter of reference from his current employer, two business letters of reference, and an explanation of the issues on his background report to the Commission. M/C
 - h. Commissioners reviewed the application of Sarah C. Pursell for a salesperson license. Ms. Pursell joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Louser to approve Ms. Pursell to sit for the salesperson license examination. M/C
 - i. Commissioners reviewed the application of Brian R. Rinke for a salesperson license. Mr. Rinke joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Breidenbach to approve Mr. Rinke to sit for the salesperson license examination. M/C
 - j. Commissioners reviewed the application of Thaddeus A. Tarasen for a salesperson license. Mr. Tarasen joined the meeting in person to discuss any questions the Commissioners might have. Commissioner Breidenbach moved, seconded by Commissioner Cymbaluk to approve Mr. Tarasen to sit for the salesperson license examination. M/C
6. REVIEW BROKER LICENSE APPLICATION AND BROKER ASSESSMENT LETTERS
- a. Commissioners reviewed the application and broker assessment letters of Kausha Bakk. Ms. Bakk and her previous broker, Scott Louser, joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Breidenbach to approve Ms. Bakk to sit for the broker simulation license examination. M/C
 - b. Commissioners reviewed the application and broker assessment letters of Brent P. Russum. Mr. Russum, joined the meeting in person, his current broker, Michael Elliott, and his previous broker, Mitzi Bestall, joined the meeting by conference call to discuss any questions the Commissioners might have. Commissioner Cymbaluk moved, seconded by Commissioner Breidenbach to approve Mr. Russum to sit for the broker simulation license examination. M/C
7. REVIEW CORRESPONDENCE REGARDING DECEPTIVELY SIMILAR FIRM NAME AS CITED IN NDAC 70-02-01-13. Commissioner Youngberg recused himself from discussion and voting on this item. Commissioners reviewed the correspondence regarding deceptively similar firm names. Neal Beitelspacher and Marvin Greenberg joined the meeting by conference call to participate in the discussion. Mr. Beitelspacher and Mr. Greenberg explained their concern with another company in their area and using a firm name with "Dakota" in it. The consensus of the Commission is to take no action on this issue.
8. REVIEW EMAIL FROM SCOTT LOUSER REGARDING UNCLAIMED PROPERTY RULE. The Commission reviewed the email from Scott Louser regarding the unclaimed property rule. Mr. Louser joined the meeting by conference call to participate in the discussion. Mr. Louser suggested that the Commission provide guidelines for returning

unclaimed property and that there should be a clause in the purchase agreement. The consensus of the Commission is to take no action on this issue.

9. CLARIFICATION ON APPROVABLE BACKGROUND ISSUES. Executive Director Jergenson asked the Commission for clarification on approving applications with background report issues. If an applicant does not disclose charges on their application such as minor in possession, minor in consumption, NSF checks, and DUIs that occurred over 10 years ago is it ok for staff to approve their application as long as they are comfortable with their explanation on why the issue was not disclosed. Commissioner Cymbaluk moved, seconded by Commissioner Breidenbach to amend the policy to allow staff to approve applications that have not disclosed charges such as minor in possession, minor in consumption, NSF checks, and DUIs that occurred over 10 years ago as long as staff is comfortable with their explanation on why the issue was not disclosed. M/C
10. APPROVE 2017 RENEWAL LETTER FROM RISC FOR THE GROUP REAL ESTATE E&O PROGRAM. Commissioners reviewed the agreement with RISC to renew the E&O program for 2017. Commissioner Cymbaluk moved, seconded by Commissioner Youngberg to approve the agreement with RISC. M/C
11. REVIEW RISC 2016 2ND QUARTER CLAIMS REPORT. Commissioners reviewed the RISC 2016 2nd quarter claims report.
12. ARELLO LIST SERVE SURVEY: PRINTED LICENSE REQUIREMENTS. Commissioners reviewed the ARELLO list serve survey of printed license requirements.
13. ARELLO LIST SERVE SURVEY: CONTINUING EDUCATION HOURS. Commissioners reviewed the ARELLO list serve survey continuing education hours.
14. AMP ADVISORY BOARD REPORT: PATRICIA M. JERGENSON, EXECUTIVE DIRECTOR. Executive Director Jergenson submitted her written report.
15. REVIEW APPROVED TRUST ACCOUNT WAIVERS. Commissioners received a report of trust account waivers granted since the June 16, 2016 meeting. A list of those waivers are attached to these minutes.
16. DISCUSS COMMISSION PRIORITIES. Commissioners discussed the Commission priorities.
17. REVIEW OTHER BUSINESS.
 - a. Executive Director Jergenson notified the Commission that the press release regarding Dorothy Pudwill was released.
 - b. Executive Director Jergenson gave the Commission a copy of the approved July 2016/June 2017 budget.
 - c. Executive Director Jergenson provided the Commission with pre-licensing school statistics that will be provided to the five pre-licensing providers. The Commission would like this added to the agenda at the next Commission meeting to discuss the results further.

There being no further business Chair Schlosser adjourned the meeting.

Respectfully submitted,



Amanda Renner
Administrative Assistant