

February 2, 2011
8:30am Central Time
Conference Call
North Dakota Real Estate Commission
200 E Main St. Suite 204
Bismarck ND

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

1. CALL MEETING TO ORDER. Chair Jerry Youngberg called the meeting to order. Commissioners Sheridan and Louser joined the meeting by conference call. All Commissioners were present.
2. APPROVE MINUTES OF NOVEMBER 17 2010, DECEMBER 30, 2010 AND JANUARY 14, 2011 MEETINGS. Commissioner Schlosser moved to approve the November 17, 2010 minutes as presented, seconded by Commissioner Cymbaluk. M/C Commissioner Cymbaluk moved to accept the December 30, 2010 minutes as presented, seconded by Commissioner Schlosser. M/C Commissioner Sheridan moved to approve the January 14, 2011 minutes as presented, seconded by Commissioner Cymbaluk. M/C
3. APPROVE AUGUST, SEPTEMBER AND OCTOBER 2010 FINANCIAL REPORTS. Commissioner Sheridan moved, seconded by Commissioner Louser to approve the August, September, and October 2010 financial reports. M/C
4. LEGAL UPDATE: SPECIAL ASSISTANT ATTORNEY GENERAL CONNIE HOFLAND.
 - a. Complaint #2010-13 Mavis A Doster v Thomas Wellin. Commissioner Schlosser recused himself from discussion and vote on this complaint. Special Assistant Attorney General Connie Hofland presented the results of her investigation of this complaint. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to dismiss this complaint. M/C
 - b. Complaint #2010-12 NDREC v Andrew Hardy & Aaron Greterman. Special Assistant Attorney General Connie Hofland presented the signed Stipulation and Settlement Agreement from Aaron A. Greterman in which Mr. Greterman agrees to pay a fine of \$500 within 30 days of Notice of Entry of the Order. Commissioner

Sheridan moved, seconded by Commissioner Schlosser to approve the Stipulation and Settlement Agreement signed by Mr. Greterman. M/C

Special Assistant Attorney General Connie Hofland informed Commissioners that Andrew M. Hardy had stated that he would agree to a Stipulation and Settlement Agreement but has not provided a signed agreement at this time. Ms Hofland recommended that the Commission proceed to a hearing with an amended complaint. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to proceed to a hearing and amend Complaint #2010-12 to include the evidence of altered continuing education slips. M/C

- c. Complaint #2010-10 NDREC v Mitzi Bestall. Special Assistant Attorney General Connie Hofland presented the chronology of the facts per her investigation of this complaint. Ms Hofland stated that there are 2 options: proceed to district court for a cease and desist order or allow Ms Bestall to apply for a real estate license. Ms Hofland's recommendation was to allow Ms Bestall to proceed through the application process and review her activities prior to licensure in North Dakota. Commissioner Sheridan moved, seconded by Commissioner Schlosser to allow Ms Bestall to proceed through the application process. M/C
- d. Update on pending complaints. Ms. Hofland provided the following information:
 - Complaint #2008-11 NDREC v Brian Gullickson – Mr. Gullickson is still in China.
 - Complaint #2009-03 NDREC v Daniel Ringuette. The transaction is not scheduled to close until November 2013. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to continue to table this complaint and send a letter to Mr. Ringuette notifying him that the complaint remains tabled. M/C
 - Complaint #2010-11 NDREC v Affiliated Business Solutions. Ms Hofland is still conducting her research on this complaint.
 - Complaint #2010-10 NDREC v Mitzi Bestall. It was the consensus to let the complaint stand against Ms. Bestall.

5. REVIEW LICENSE APPLICATIONS.

- a. Commissioners reviewed the application of Lori L. Henderson for a salesperson license. Commissioner Sheridan moved, seconded by Commissioner Louser to approve Ms. Henderson to sit for the salesperson real estate license examination. M/C
- b. Commissioners reviewed the application of Erika L. Jensen for a salesperson license. Commissioner Schlosser moved, seconded by Commissioner Cymbaluk to approve Ms. Jensen to sit for the salesperson real estate license examination. M/C
- c. Commissioners reviewed the application of John D. Winter for a salesperson license. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan

to approve Mr. Winter to sit for the salesperson real estate license examination.
M/C

6. REVIEW TABLED LICENSE APPLICATIONS.
 - a. Commissioners reviewed information provided by Katie A. Bjorge regarding judgments on her credit report. Commissioner Sheridan moved, seconded by Commissioner Cymbaluk to leave Ms Bjorge's application tabled until she provides proof that all judgments have been satisfied. M/C
 - b. Commissioners reviewed documentation provided by Matthew Lundeen regarding a misdemeanor charge against him. Commissioner Louser recused herself from discussion and vote on this applicant. Mr. Lundeen has been placed on unsupervised probation for 1 year. Commissioner Schlosser moved, seconded by Commissioner Cymbaluk to deny Mr. Lundeen's application and that he can reapply after he has completed probation. M/C
7. CLARIFICATION OF COMMISSION'S POSITION ON MANDATORY BROKER EDUCATION. Executive Director asked Commissioners for clarification of the Commission's position on mandatory broker education. Ms Jergenson is participating on a "Mandatory Broker Education" task force established by the North Dakota Association of REALTORS® (NDAR) and it appears the purpose of the task force is to compile "a list of topics to be shared with the Commission as they consider adding broker classes to education requirements." It was the consensus that the Commission is in the investigative stage of this issue.
8. LEGISLATIVE UPDATE. Executive Director Jergenson noted that HB1430, whose intent is to clarify non-agency, had passed the House. NDAR Lobbyist Claus Lembke noted that SB2149, regarding private property transfer fees, had passed the Senate and SB2187, regarding changes to the Appraisal Board and some of its processes, was still in Committee. Commissioner Cymbaluk stated that people needed to be informed that the North Dakota Real Estate Commission was not part of this legislation and reminded that the North Dakota Real Estate Commission and the North Dakota Association of REALTORS® are 2 separate entities.
9. CORRESPONDENCE RECEIVED FROM JIM DEIBERT. Mr. Deibert sent a letter of appreciation to the Commission for their kind words regarding his retirement from teaching pre-licensing education. Staff was asked to email Commissioners a copy of the letter Chair Youngberg had sent on behalf of the Commission.
10. REVIEW FEEDBACK PROVIDED BY THE CE SHOP ON THE 2010 ONLINE MANDATORY COURSE. The information was provided as a courtesy to the Commission.
11. CONSIDERATION OF PAYING TRAVEL EXPENSES FOR COMMISSIONERS YOUNGBERG AND CYMBALUK TO ATTEND THE PUBLIC SERVICE COMMISSION MEETING DECEMBER 8, 2010 ON BEHALF OF THE NORTH DAKOTA REAL ESTATE COMMISSION. Executive Director Jergenson asked Commissioners to consider paying the expenses incurred by Commissioners Youngberg and Cymbaluk when they attended the Public Service Commission meeting on behalf of

the commission which resulted in an invitation to the commission to participate in a coalition to review auctioneer licensing. A draft bill regarding internet auctions was also discussed at that meeting. Commissioner Schlosser moved, seconded by Commissioner Sheridan to approve payment of expenses for Commissioners Youngberg and Cymbaluk. M/C

12. ARELLO® LEADERSHIP SYMPOSIUM REPORT. Executive Director Jergenson filed a written report. Commissioner Cymbaluk provided a verbal report to the Commissioners.
13. REVIEW REQUESTS FOR TRUST ACCOUNT WAIVERS. Commissioner Cymbaluk moved, seconded by Commissioner Sheridan to approve the requests for trust account waivers as attached to these minutes. M/C Staff was asked to research to see if the trust account waivers must be approved by the Commission or if they can be approved by staff.
14. COMMISSION GOALS. The goals of the Commission were reviewed.
15. OTHER BUSINESS:
 - a. Special Assistant Attorney General Constance Hofland rejoined the meeting at 9:40am via conference call. She had just received an emailed offer to stipulate from Andrew M. Hardy. Commissioner Cymbaluk moved, seconded by Commissioner Schlosser to not accept the stipulated agreement and move Complaint # 2010-12 against Mr. Hardy to a hearing based on the new evidence presented earlier during the meeting. M/C
 - b. Executive Director Jergenson stated that to date 1133 licenses had been renewed online.
 - c. Commissioners were informed of the availability of the mandatory course topic.
 - d. The next meeting of the Commission will be towards the end of April. Staff will work with Special Assistant Attorney General Hofland to set a hearing date.

There being no further business, Chair Youngberg adjourned the meeting.

Respectfully submitted,

Patricia M. Jergenson
Executive Director