

March 17, 2005
Pearce & Durick Law Firm
Bismarck, ND
8:00 AM

Present: Kris Sheridan/Chair, Jerry Youngberg/Vice Chair, Jerry Schlosser/Member, Diane Louser/Member, Roger Cymbaluk/Member, David Reich/Legal Counsel, Patricia M. Jergenson/Secretary Treasurer, Karla Mittleider/Administrative Assistant

1. CALL TO ORDER. Chair Kris Sheridan called the meeting to order and welcomed those present.
2. APPROVE MINUTES OF NOVEMBER 23, 2004, JANUARY 10, 2005 AND JANUARY 28, 2005. Commissioner Schlosser moved, seconded by Commissioner Louser to approve the minutes of November 23, 2004, January 10, 2005 and January 28, 2005. M/C
3. APPROVE FINANCIAL REPORTS FOR NOVEMBER AND DECEMBER 2004 AND JANUARY AND FEBRUARY 2005. Commissioner Youngberg moved, seconded by Commissioner Schlosser to accept the financial reports of November and December 2004 and January and February 2005 as presented. M/C
4. TRUST ACCOUNT AUDIT CORRESPONDENCE. Commissioners reviewed a letter from the auditor to Mike Puklich, broker of record for Assist 2 Sell in Bismarck, ND, regarding discrepancies found during the audit of his trust account and the issue of trust account monies not being turned over at 2 closings. Commissioner Cymbaluk moved, seconded by Commissioner Schlosser to have legal counsel send a letter to Mr. Puklich notifying him that he has 30 days in which to clear up the situation or the Commission will schedule a hearing on the trust account violation. M/C
5. REQUEST FOR CLARIFICATION REGARDING TRUST ACCOUNT DEPOSITS. The Commission received an inquiry asking if earnest money should be deposited in the trust account of the ND broker when a property in another state in which the broker has a branch office and holds a reciprocal license is sold. Legal counsel noted that in researching the law it appears that the earnest money could be deposited in the trust account located in either state as long as the North Dakota Real Estate Commission had been given proper notice of the trust account in the reciprocal state.
6. CORRESPONDENCE FROM CAROLYN CORWIN. Commissioner Cymbaluk moved, seconded by Commissioner Louser to allow Ms Corwin to sit for the broker examination. M/C

7. CORRESPONDENCE FROM VERNETTA CHRISTIANSON. Ms Christianson requested the Commissioners waive the 2 years of experience as a salesperson requirement and allow her to take the broker examination. Commissioner Schlosser moved, seconded by Commissioner Louser to deny Ms Christianson's request. M/C
8. CORRESPONDENCE FROM JEFFREY WESTGOR REGARDING LICENSE CANCELLATION. Mr. Westgor requested that the Commission waive the cancellation of the licenses for his firm, himself, and salesperson Robert Hanken. Said licenses were cancelled for nonrenewal on March 1, 2005 in accordance with NDCC 43-23-13.1. Commissioner Cymbaluk moved, seconded by Commissioner Louser to deny the request to waive the cancellation of the licenses. M/C
9. REVIEW APPLICATION FOR SALESPERSON LICENSE.
 - a. Commissioners reviewed the application for a salesperson license from Jolene M. Case. Commissioner Cymbaluk moved, seconded by Commissioner Youngberg to deny the application of Ms Case. M/C
 - b. Commissioners reviewed the application for a salesperson license from Ryan W. Campbell. Commissioner Schlosser moved, seconded by Commissioner Youngberg to approve Ryan Campbell to sit for the real estate exam. M/C
 - c. Commissioners reviewed the application for a salesperson license from Alana M. Erickson. Commissioner Louser moved, seconded by Commissioner Cymbaluk to request a more current credit report from Ms Erickson. M/C
 - d. Commissioners reviewed the application for a salesperson license from Michelle J. Feland. Commissioner Schlosser moved, seconded by Commissioner Youngberg to approve Michelle Feland to sit for the real estate exam. M/C
 - e. Commissioners reviewed the application for a salesperson license from Sara L. Hockhalter. Commissioner Youngberg moved, seconded by Commissioner Louser to approve Sara Hockhalter to sit for the real estate exam. M/C
 - f. Commissioners reviewed the application for a salesperson license from Casey J. McCullough. Commissioner Youngberg move, seconded by Commissioner Schlosser to deny the application of Mr. McCullough. M/C
 - g. Commissioners reviewed the application for a salesperson license from Keith E. Mecham, Jr. Commissioner Cymbaluk moved, seconded by Commissioner Schlosser to deny the application of Mr. Mecham. M/C
 - h. Commissioners reviewed the application for a salesperson license from Sheri A. Steidl. Commissioner Youngberg moved, seconded by Commissioner Louser to approve Sheri Steidl to sit for the real estate exam. M/C
10. REQUESTS FOR HEARINGS ON DENIED APPLICATIONS.
 - a. William F. Shirk appealed the denial of his application for a salesperson license by providing the Commission with additional documentation regarding a judgment and lien filed against him. Commissioner Cymbaluk moved, seconded by Commissioner Schlosser to deny Mr. Shirk's appeal. M/C
 - b. Kim M. Meyers appeared before the Commission to appeal the denial of her application for a salesperson license. Commissioner Louser moved, seconded by Commissioner Youngberg to approve Kim M. Meyers to sit for the real estate exam. M/C (3 ayes, 2 nays/Commissioners Schlosser and Cymbaluk).

- c. Drew A. Likness appeared before the Commission to appeal the denial of his application for a salesperson license. Commissioner Cymbaluk moved, seconded by Commissioner Louser to approve Drew Likness to sit for the real estate exam. M/C
11. REVIEW REQUESTS FOR TRUST ACCOUNT WAIVERS. Commissioner Cymbaluk moved, seconded by Commissioner Youngberg to approve the requests for trust account waivers as attached to these minutes. M/C
12. REVIEW APPLICATION FOR SUBDIVIDED LAND REGISTRATION FROM SOLEIL LV, LLC. The application submitted by Soleil LV, LLC to register Tahiti Village in Las Vegas, Nevada was reviewed. Commissioner Youngberg moved, seconded by Commissioner Schlosser to approve the registration of Tahiti Village subject to the receipt of a \$25,000 indemnity bond. M/C
13. COMMENTS REGARDING THE PROCESSING OF E&O RENEWALS FOR 2005. Commissioners discussed a letter received noting the problems experienced by licensees in the processing of their E&O insurance renewals with RISC. Staff also noted that the Commission office had received telephone calls expressing problems as well. It was the consensus of the Commissioners that staff write a letter to RISC expressing our concern with the situation and include a copy of the letter.
14. DISCUSS PRE/POST LICENSING COURSE TOPICS PENDING PASSAGE OF LEGISLATION. At the time of this meeting HB1240 had passed and was waiting signing by the Governor. Commissioners decided to set up an advisory committee consisting of educators, brokers, and members of the Commission to discuss topics and delivery of the additional hours that will be required of salesperson applicants beginning January 1, 2006. This advisory group will meet in April.
15. DISCUSS MANDATORY CE TOPIC(S) FOR 2006/07 CE CYCLE. Staff was asked to check with the National Association of REALTORS® and the National Real Estate Education Association for possible topics.
16. ISSUES DISCUSSED AT THE FEBRUARY NDAR MEETING. NDAR is considering a 2 hour legislative update course that could also include a section on trust account issues. The association had also discussed changing the requirement of 6 hours of ce the first year in the 2 yr ce cycle however this would require a legislative change.
17. Commissioners reviewed the 2004 goals and noted which of those goals have been met. 2005 goals were discussed.
18. other business:
 - a. Commissioners had received a chart of the history of complaints. There are no complaints pending investigation at this time.
 - b. The Commission office had received an email recognizing ND licensee Cody Lindstrom for completing his E-Pro course while serving in Iraq.
 - c. Discussed per diem for conference calls. Commissioner Schlosser moved, seconded by Commissioner Louser to approve payment of per diem to Commissioners for every meeting of the Real Estate Commission. M/C
 - d. The renewal requirement for college real estate courses was discussed. Commissioner Youngberg moved, seconded by Commissioner Louser to require that all courses to be accepted for pre-licensing must be approved every 2 years. M/C

- e. Commissioners were asked who is responsible for company files when a real estate office closes – the broker of record or the owner. It was stated that the broker of record is the party responsible.
- f. Commissioners reviewed an email questioning the need for a real estate license by a management company.
- g. Claus Lembke, NDAR EVP provided the Commissioners with a legislative update from his association.

There being no further business, Chair Kris Sheridan adjourned the meeting.

Respectfully submitted,

Patricia M. Jergenson
Secretary Treasurer