



Arizona Real Estate Advisory Board
2910 N. 44th Street, Suite 100
Phoenix, Arizona 85018

Janice K. Brewer
Governor

November 10, 2010

The Honorable Janice Brewer
Governor of Arizona
1700 West Washington Street, 9th Floor
Phoenix, Arizona 85007

Arizona Real Estate
Advisory Board

Dear Governor Brewer:

Frank Dickens
Chair

I was honored to serve the Real Estate Advisory Board as Chairman this past year. The Department experienced a change of Commissioners from Sam Wercinski to Judy Lowe. Commissioner Lowe made the transition seamless, with a renewed enthusiasm among the staff professionals within the Department.

Kathy Howe
Vice-Chair

Commissioner Lowe brings a wealth of knowledge and experience in Arizona real estate, continuing the Department's dedication to the protection of consumers and assuring a continued increase in professionalism among real estate licensees.

Charles Bowles
Member

Under Commissioner Lowe's leadership, the motto "**TEAM**"-Together Everyone Achieves More which promoted Department staff embraced enthusiastically. The Department works with continued budget reductions and decreased resources in staffing allocations. Dedicated staff members continue to function in multiple divisions to assure a continuum of service to the public.

Bruce D. Mosby
Member

Under new leadership with the Department, the Advisory Board has increased their activity in facilitating communications between the Public, Licensees, and the Department. Under Commissioner Lowe's leadership and interaction with Department staff, Advisory Board members are becoming more informed in the complexity of investigating complaints, and the processes of the day- to- day functions of protecting the public. This new proactive measure provides Advisory Board members with the general nature of developer applications, complaints from members of the public and licensing inquiries. In response, Board members are asked to formulate an opinion and subsequent action. This better informs Board members, which in turn provides high quality communications between the public and the Department.

Tom Pancrazi
Member

Patti Shaw
Member

Ann White
Member

In the fast paced changes of Arizona real estate, the Department continues to be vigilant in new trends, enforcing rules of the department and assuring the best representation possible of the great state of Arizona, with one of the largest real estate sales and development markets in the country.

Judy Lowe
Commissioner

It is my pleasure to provide the attached annual report to your office.

Mary C. Utley
Assistant
Commissioner-Business
Services

Respectfully Submitted,

Frank A Dickens
Chairman 2009

**Arizona Department of Real Estate
Summary of Accomplishments
FY 2009**

Outlined are the various initiatives, programs and accomplishments which the Department has achieved or currently working on during FY 2009.

- The **TEAM** (Together Everyone Achieves More) Management Concept which continued to be advanced by leadership. While budget constraints continued on the forefront, the **TEAM** took these constraints and turned them into “opportunities” to streamline and create efficiencies. With **TEAM** as the primary theme, a Department goal is to guarantee that a licensee or the public have a pleasant experience when visiting or calling ADRE.
- Promoted the “HUB”...callers to the Department speak to a live person not a recording.
- Promoted the use of the Department’s Online Services which reduces the need for licensees to visit ADRE (created savings in time, fuel, the environment and reduction in staff).
- Promoted agency-wide cost saving efficiencies leading to the streamlining of processes, thus minimizing the impact to the public and the Department of the mandated budgetary reductions. Examples of those cost saving efficiencies are:
 - Scanning documents (reducing man hours filing) for storage of documents.
 - Implemented changes to Licensing application processes to accommodate document scanning.
 - Responding to incoming mail within 3 business days
 - Responding to emails within 24 business hours
 - Implementing the Electronic Broker Audit Review (Property Management)
 - Reducing Pending Logs in the Investigations Division, with a focus on handling all new cases that may cause harm to the public as they are received.
 - Developing a “Complaint Receipt Program” which expedites the initial receipt of all complaints
 - Shortened the turn-around time Subdivision/Development approvals to an all-time low.

- Reduced the Pending Log cases (in Development Services Division) from an Open Files count in June '09 of 189 (with many dating back to 2005) to a Pending Log of 60 cases, none older than 2008.
 - Developed and implemented the Continuing Education Non-Compliance Process.
 - Redesigned www.azre.gov home page.
 - Developed and implemented the Online Education Course Renewal Process.
 - Developed and implemented the Online Education Course Scheduling process.
 - Improved approval criteria for Course Approval, modifying the application.
 - Initiated the development of the online Education Original Course Application process.
- The Department partnered with Chicanos Por La Causa (PCLC) to provide employment opportunity and skill building to disadvantaged youth participating in the CPLC program.
 - Five Year Review Report (Title 4, Chapter 28, Article 1, General Provisions: Article 3, Licensure; Article 5, Advertising; Article 11, Professional Conduct; Article 13, Administrative Procedures was reviewed and approved by GRCC on January 5, 2010.
 - Outreach- Allowed Commissioner Lowe to engage the Public, the Industry and the Department in meaningful dialog. Stakeholder groups met to discuss timely subjects such as:
 - Short Sales
 - Creation of a Short Sales “Think Tank”
 - Short Sale Advisory
 - Partnering with the Arizona Association of REALTORS® in presenting information to various stakeholder groups.
 - Education
 - Re-established the Real Estate Education Committee
 - Brought together stakeholders to form the CE Subcommittee which addresses timely issues:
 - Distance Learning
 - Technology
 - Course Criteria

- Legislation
 - Solicited feedback from Industry and stakeholders on proposed legislative changes.
 - Partnered with Industry to achieve positive legislative changes.
- Commissioner Advisories- Commissioner Advisory No.4-rel.09/09 (replaced by SPS No.2010.01) –Guidance for using Electronic Real Estate Transaction Management.
- Substantive Policy Statements- SPS No. 2010.01-Guidance for using Electronic Real Estate Transaction Management and/or Document Storage Program- provides guidance and outlines the responsibilities of brokers who are using or intend to use any electronic record program, and who have signed or intend to sign the Department’s User Agreement, which provides the Department access to their electronic storage systems. Effective Date: March 8, 2010.
- Arizona-Mexico Commission-Commissioner Lowe acting as Co-Chair and Department staff, continued to actively participate and promote consumer protection and regional economic growth with our Sonora counterparts.
- Real Estate Licensee Count-Despite a downturn in the economy, the number of active real estate licensees January 2009 was 94,441 as compared to January 2008 at 97,033. We saw a 2.7% reduction. Although the number of active licensees decreased, many agents are choosing to keep their license, even if remaining inactive.
- Commissioner Lowe continued to forge relationships with industry, businesses and other state agencies in order to further promote the Department’s mandate of “protecting the public” and creating efficiencies.

As Chair of the Real Estate Advisory Board for FY 2009, I believe as does the Board that the initiatives and accomplishments that the Department obtained, served the Licensees, the Industry, the Public and the State of Arizona. I believe that Commissioner Lowe and the Department have not only met the challenges and adapted to the ever changing economic environment, but have also been successful in “protecting the public” and promoting professionalism in the real estate industry!