

Arizona Real Estate Advisory Board Meeting Minutes

Wednesday
July 21, 2021
10:00 a.m. - Noon
Arizona Department of Real Estate
Telephonically- Google Meet
100 North 15th Avenue Suite 201
Phoenix, Arizona 85007

- I. Call to Order – Kim Clifton, Chair
Chair Clifton called the meeting to order at 10:00 am.

- II. Introductions & Welcome
Members present all telephonically:

Karen Bohler
Carla Bowen, Vice-Chair
Kim Clifton, Chair
Bruce Jacobs
Nicole LaSlavic
Justin Rollins
D. Christopher Ward

Absent:

Charlie Bowles
Bill Gray
Nedra Halley

ADRE Representatives present:

Judy Lowe, Commissioner
Louis Dettorre, Deputy Commissioner (DC)
Abby Hansen, Chief of Staff (COS)
Liz Hill, Assistant Commissioner (AC)

III. Approval of April 21, 2021 Meeting Minutes.

Chair Clifton asked for a Motion to approve the April 21, 2021 Meeting Minutes. Upon a motion by Vice-Chair Bowen, seconded by Member Ward, the Minutes of April 21, 2021 meeting were unanimously approved.

IV. Call to the public- no public comments.

V. Advisory Board Member Facilitator Reports

Member Rollins received an email that he forwarded to DC Dettorre and the matter was handled. Member Rollins indicated that the individual stated that he had a great experience.

Chair Clifton stated she received calls regarding Subdivision and Public Reports and referred them to the Department. In addition, she received an inquiry that was directed to a designated broker and was not an ADRE issue.

VI. Arizona Department of Real Estate Reports

Commissioner Lowe provided the Advisory Board with a brief recap of items of note.

- Commissioner Lowe advised all board members that if members are not reappointed they are all welcome to continue participating and attending the Advisory Board meetings as members of the public.
- Commissioner Lowe and DC Dettorre are on the Association of Real Estate License Law Officials (ARELLO) License Portability Committee.
- Wholesaling remains a hot topic. In Arizona, this practice is allowed, with no requirements for disclosure, unless the individual is a licensee. Then all ADRE requirements apply; they must disclose in any transaction, and it may not be a blanket disclosure.
- There has been a strong focus on education at ARELLO.

A brief discussion among members regarding the need for Public Reports when an owner intends to sell. Member Bowen stated that many developments are now “spec” building and using builder’s cash and wanted to know the Departments position. Commissioner Lowe stated if six or more lots the seller would require an exemption or a new public report and if subordinated it would depend on the terms. Member Bowen

stated that they are selling three at a time and skirting the rules. Commissioner Lowe noted it all comes back to “intent”. Member of the public, Eric Saul, asked if other states could not require a license to sell real estate, and understood that there is a “movement to get away from the multiple listing service (MLS)”, and inquired if the Department saw that as a trend. Commissioner Lowe stated “no”. Member Bowen stated it was her understanding that this administration wants to do away with licensing requirements as they see it as anti-trust. Member LaSlavic asked which administration Member Bowen was referring to, Member Bowen stated “Federal”. Commissioner Lowe referred all to the most recent ADRE Bulletin that has an article on why a real estate license is necessary.

DC Dettorre provided a brief presentation reviewing current statistics for the Department, other operational updates, the ADRE Strategic plan and the Recovery Fund.

Member Ward commended the Department on processing efficiency, specifically how the Development Services ensures that applications are processed by Friday so that developers are able to sell the homes on the weekend. He stated it was greatly appreciated by the builder industry.

Member LaSlavic asked what the offenses were for the claims against the Recovery Fund. DC Dettorre stated that most recently, they were relating to residential property management, but that claims tend to be for diverse reasons. The claim in FY2020 related to a residential transaction.

- The latest ADRE Quarterly Bulletin is published on the ADRE website.
- A review of the Investigation topics were covered.
- A brief overview of some of the recent legislation that was signed was provided.

Member of the public Scott Drucker asked if the Department would be amending Substantive Policy Statement (SPS) No. 2017.01 Unlicensed Assistants with the passage of HB2085. “Upon further internal discussion after the meeting the Department will revise the SPS when the law goes into effect”

Member Bohler stated that she is currently teaching pre licensing and was curious when the test will reflect the new law HB2617. DC Dettorre stated the Department publishes a Legislative Overview on the ADRE website, and shares information on passed legislation with Pearson Vue. Member

Bohler asked if educators should teach the current law or reference the pending one effective in January. Commissioner Lowe agreed, teach to current, and advise of the upcoming changes.

AC Hill gave a brief overview of the licensing services and education areas. Chair Clifton asked if the educators have received many universal license recognition students. Member Bohler stated she has seen both brokers and salespeople, most inquiring about the fast track program that she offers and indicated that about half of those come back to take the full education.

- VII. Next scheduled meeting – October 20, 2021
- VIII. Chair Clifton asked if all Board members would like to attend in person, many said yes. The Department will continue to offer attendance virtually as well.
- IX. The meeting Adjourned at 11:24 a.m.

Respectfully submitted this 20th day of October, 2021
Real Estate Advisory Board

Kimberly S. Clifton

dotloop verified
10/29/21 3:57 PM MST
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Kim Clifton, Chair