



Arizona Department of Real Estate Bulletin Volume 2021 - Issue 1



Commissioner's Corner

Professionalism..... Can You Pass The Test?



As I interact with real estate licensees, and consumers, across Arizona, I hear comments from those who believe that some real estate licensees do not meet minimum standards of professional and ethical practice, do not possess the real estate knowledge necessary to represent a consumer in the real estate transaction, and/or are “just unprofessional”. I am frequently asked what can be done to make licensed real estate practitioners more professional.

As the Commissioner, I personally have a strong conviction that the real estate practitioner must be a professional, that professionalism is expected by the real estate consumers, and that it is foremost in protecting the public in real estate matters. However, professionalism is exceedingly difficult to define.....what makes a Real Estate Licensee a Professional, and what adds up to Professionalism?? I offer here my thoughts on real estate professionalism and what the term embodies. (continued pg.2)

Professionalism... Can You Pass The Test

(Continued)

- A combination of a professional appearance and attitude, always presenting oneself “professionally”.
- An understanding of, and consistently delivering on the required fiduciary duties imposed on all real estate licensees in the “Duties to the Client” rule (R4-28-1101), which includes placing the clients’ interests ahead of those of the licensees. Fiduciary duties impose the highest standard of care, and real estate licensees must be committed to scrupulously fulfilling those obligations.
- Being organized, disciplined, prepared, credible, trustworthy, honest and respectful, a person of good character.
- Being civil, kind, ethical and responsive, which includes timely communication with clients, and parties on the other side of the transaction, in all business dealings.
- Delivering only first-rate work and results on a consistent basis.
- Listening, and then following the lawful instructions of clients.
- Having the most comprehensive current education, knowledge, skills and experience necessary to protect the consumer, as well as, achieve the results for the consumer.
- Adhering to all Arizona laws, regulations and rules of conduct applicable to the practice of real estate in Arizona.
- Staying current on Arizona and local jurisdictions’ sources of information to refer consumers to.

So....Professionalism is a combination of a real estate licensee’s experience, skills, abilities, results, character and reputation demonstrated in terms of customer care, positive outcomes and qualitatively high customer services. These are the core values that the Professional Real Estate Licensee offers within their real estate service package.

The real estate consumer is searching for the Professional Real Estate Licensee.

Sincerely,

Judy Lowe
Commissioner



ADRE Reduces Online Broker Renewal Fees



[December 2020's Commissioner's Corner](#) provided a look back at Arizona real estate licensure and the steady increase over the last six years (13%), with recent months bringing 400 - 500 new licensees per month. It is clear that those migrating to Arizona from around the country see the many opportunities Arizona has to offer.

Arizona real estate licensees can complete the majority of license services online through their personal page on the "[Licensee Login](#)", including original and renewal applications, personal changes such as name changes, address changes, and hires. ADRE Arizona statute directs that the fee revenue collected by the Department be deposited into the state of Arizona General Fund, and shall not fall below 95%, or above 110% of the annual legislative appropriation.

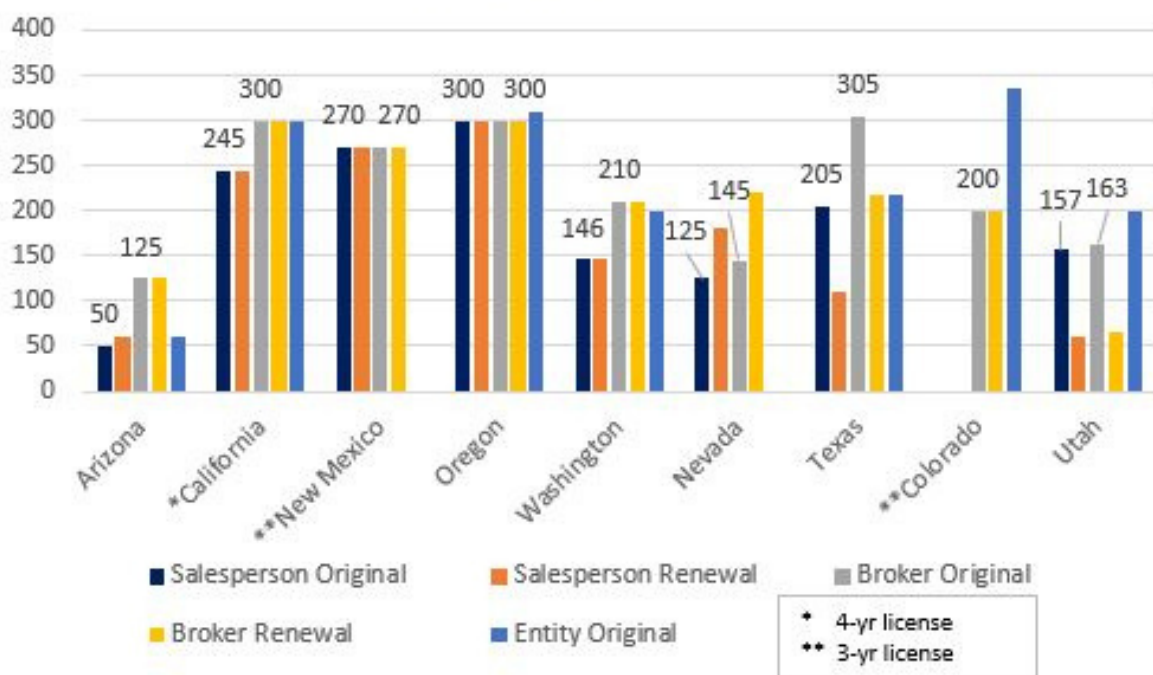
ADRE reduced fees for Real Estate Salesperson two year renewals from \$75 to \$65 in November 2017, and again in March 2019 from \$65 to \$60 (the lowest allowed by statute in this fee category).



In November 2017, ADRE lowered Real Estate Broker two year renewal fees from \$175 to \$150 for those who renew Online (98-99% of real estate licensees renew Online).

ADRE lowered fees once again for brokers renewing online from \$150 to \$125 in January 2021. The [ADRE Fee Schedule](#) is available on the ADRE website, along with [monthly license statistics](#) - including monthly license trends published at the beginning of each month.

Real Estate License Fees



ADRE General Reminders/Updates



The Arizona Department of Real Estate remains open for business. The building is open by appointment only at this time. Please submit your questions, applications, or complaints (or compliments), online through the ADRE Message Center located on www.azre.gov. The Message Center allows customers to submit a question, an application, or a complaint, directly to the ADRE division that can assist. Please submit your correspondence by choosing from the subject categories. If you are an Arizona real estate licensee, you can complete many services through your personal page on the Licensee Login, located at www.azre.gov. Please also search the ADRE website, www.azre.gov for answers to common questions. Thank you for your patience and understanding during this time.

We are committed to processing all requests and serving you... our customer.

You can set an appointment in advance by sending a message Online through the Message Center.

Let's all remember the things we can do to keep ourselves and others well.

- Wash your hands
- Use hand sanitizers when washing your hands is not an option
- Remember physical distancing, at least six feet
- Wear a face covering
- Stay at home if you are sick
- Public customers, with an appointment, will continue to be assisted on the first floor at this time.
- ADRE customers requesting an appointment are encouraged first to use the many ADRE online services available.

Thanks for all you do to support the real estate profession in the state of Arizona!



Introducing the New Licensee Welcome Guide

The ADRE staff has been hard at work putting together this guide to help Arizona's new licensees. This [9 page welcome guide](#) covers everything from how to contact ADRE, logging in, entering continuing education hours and much more! Please share this with your pre-licensing students and instructors!



PC/PLLC Application Process Simplified

Real Estate Licensees may wish to seek the assistance of legal counsel and/or a tax professional prior to registering with the Arizona Corporation Commission and the ADRE.

Employing Brokers may engage the services of salespersons and associate brokers who act through and on behalf of Professional Corporations (PC) or Professional Limited Liability Companies (PLLC). **This license type is to be strictly used only by the Employing Broker for the purpose of paying commission, or real estate service monies to the cemetery, membership camping, or real estate licensee who is a natural person holding an active status salesperson or associate broker license. All real estate activity by the holder of the PC or PLLC must still be done under the Employing Broker. Compensation cannot be paid to a real estate licensee by a PC or PLLC.** Designated brokers may apply as a PC or PLLC license provided the membership in the PC or PLLC is limited to the designated broker. Self-employed brokers may not apply for licensure as a PC or PLLC.

To become licensed through a PC or PLLC or to report changes within 10 days to a PC or PLLC, review and complete the Professional Corporation (PC) or Professional Limited Liability Company (PLLC) Form LI-231 after reviewing the Application Instructions located on the ADRE website at www.azre.gov. **Any real estate licensee holding a PC/PLLC and/or a member of an LLC registered with the Arizona Corporation Commission cannot conduct real estate activity other than with the Employing Broker in which their license is held.**

Most Common Application Deficiency

When ADRE reviews the Professional Corporation (PC) or Professional Limited Liability Company (PLLC) applications, the most common deficiency is the wording of the listed sole purpose in the Articles of Incorporation (PC) or Articles of Organization (PLLC), which should read, as applicable:

**“to provide professional real estate services” or
“to provide professional cemetery services” or
“to provide professional membership camping services”**



PC/PLLC Name Guidelines

The PC or PLLC name shall:

- Consist of only the full or last name(s) of its shareholder(s) or member(s)
- Contain the words Professional Corporation or Professional Limited Liability Company or the abbreviations authorized by the Arizona Corporation Commission
- Reflect whether it comprises one or more licensees (single or plural as in John Smith, P.C. or Smith & Smith, P.C.)
- Not consist of a fictitious name

Designated Broker Review

Designated Brokers can help reduce the deficient applications and their workload by reviewing the articles to make sure the purpose is properly stated and the PC or PLLC name is in compliance as described above before the application is filed with the Arizona Corporation Commission and/or ADRE. The broker review is a great opportunity for the broker to meet with the licensee to make sure the licensee understands the brokerage policy on licensees with PCs or PLLCs.

Wholesaling is on the Rise. Can you Answer These Top 10 Questions?

Article published by Scott Drucker- a licensed AZ attorney, General Counsel & Assistant CEO for the Arizona REALTORS® serving as the primary legal advisor for the association

Real estate wholesaling is the process through which an individual, the “wholesaler,” enters into a purchase contract with the seller of real property and assigns, for profit, that same contract to an end buyer. Notably, the process of wholesaling differs from “fixing and flipping” real property in that the wholesaler does not close escrow, performs no renovations, and incurs no carrying costs. Rather, the wholesaler assigns their contract rights to a third-party buyer who ultimately purchases the property directly from the seller.

Upon entering into a purchase contract, a wholesaler obtains equitable title, which is the interest retained by a person who has contracted to purchase a property but has not yet closed the transaction. This is different than legal title, which is actual ownership of the real property. Wholesalers must therefore remember that they cannot sell the property itself and must therefore market and sell only their equitable interest. Stated differently, the wholesaler is selling their contractual rights, which is their sole interest in the property.

The process of wholesaling exposes real estate licensees to a great deal of potential liability. Disclosure and transparency are absolutely critical, yet even with full disclosure, sellers are often dismayed to learn that the wholesaler was able to assign the purchase contract to an end buyer who is ultimately paying more money than the contract price between the seller and wholesaler. To mitigate the risk, fully understanding the process is critical and real estate licensees are therefore encouraged to consider the below frequently asked questions and corresponding answers.

Q1. If an agent is contacted by a wholesaler seeking to retain the agent to represent their interests in the acquisition of equitable title to real property, what is the first step the real estate licensee should take?

A1. It is critical that agents talk to their broker before agreeing to represent a wholesaler! This cannot be stressed enough. First, some brokerages do not permit their agents to represent wholesalers so the agent must determine whether their proposed representation is even permitted. Second, by seeing so many transactions, brokers understand the perils associated with wholesaling and can guide agents through the transaction, steering clear of pitfalls that often result in litigation.

Q2. Is the purchase contract assignable, or must the wholesaler write into the contract terms like “and assignee” when identifying the buyer?

A2. Generally speaking, in Arizona rights and duties under a contract are freely assignable. More specifically, a party can assign its contractual rights to a third party unless:

(a) the substitution of a right of the assignee for the right of the assignor would materially change the duty of the obligor, or materially increase the burden or risk imposed on him by his contract, or materially impair his chance of obtaining return performance, or materially reduce its value to him, or
(b) the assignment is forbidden by statute or is otherwise inoperative on grounds of public policy, or
(c) the assignment is validly precluded by contract. See Restatement (Second) of Contracts § 317(2). Consequently, terms like “and assignee” are not legally required for a contract to be assignable.

Q3. Must wholesalers and their agent disclose in their marketing materials the wholesaler’s lack of legal title?

A3. Yes. Because wholesalers lack legal title, they must disclose in all marketing material that they solely hold an equitable interest in the property and are therefore not the owner on title. This disclosure should not leave any questions as to the wholesaler’s role in the transaction. Furthermore, if the wholesaler holds a real estate license, that too must be disclosed under Arizona law.

Q4. Following the wholesaler’s assignment of the Purchase Contract to an end buyer, does the wholesaler remain liable if the end buyer fails to perform?

A4. Yes. The wholesaler’s assignment of the Purchase Contract does not change the terms of the underlying purchase contract, nor does it negate the wholesaler’s contractual obligations owed to the seller.

Wholesaling is on the Rise. Can you Answer These Top 10 Questions? (Cont.)

Q5. Must the wholesaler notify the seller of their intent to assign their equitable title to an end buyer?

A5. Arizona case law holds that a buyer must disclose to the seller all facts materially affecting the buyer's ability to perform and pay the agreed upon purchase price. See *Lombardo v. Albu*, 199 Ariz. 97, 14 P.3d 288 (2000). In other words, a buyer cannot present themselves as "ready, willing, and able" if they know that there is a significant risk that they will be unable to perform their contractual obligations. Many wholesalers have no intention of ever purchasing the property, which means they are not "ready, willing, and able" purchasers. If the wholesaler does not intend to perform if they are unable to assign their equitable rights, their intentions must be disclosed upfront to the seller.

Q6. If accepting a purchase offer from a wholesaler, can the seller request a substantial earnest money deposit in an effort to better protect their own financial interests?

A6. Yes. As mentioned above, many wholesalers do not intend to purchase the property if they are unable to assign their contractual rights, even if that means forfeiting their earnest money deposit. Requesting a substantial earnest money deposit is one way sellers can better protect themselves in the event the wholesaler breaches the contract by failing to close escrow.

Q7. Does the Arizona REALTORS® Residential Resale Real Estate Purchase Contract contain a contingency by which a wholesaler can cancel the contract without penalty if they are unable to assign their equitable interest prior to close of escrow?

A7. No. If the wholesaler desires to insert an assignment contingency into the contract, that must be negotiated via an Addendum or in Section 8a of the contract under Additional Terms and Conditions. Otherwise, no such contingency exists.

Q8. Upon assigning their equitable interest to a third-party end buyer, what steps should the wholesaler take?

A8. If and when the wholesaler has assigned their contractual interest, they should immediately notify both the seller and title company.

Q9. If representing a seller who receives a purchase offer from a wholesaler, what information should the agent convey to their seller?

A9. The majority of sellers have little knowledge of the process of wholesaling real estate and rely on their agent to help them understand what can be a complicated transaction. However, real estate licensees are prohibited from offering legal advice and should therefore advise their seller, in writing, to seek independent legal counsel to fully understand their rights and obligations should they accept the offer. With that said, there is information that the agent can and should convey. First and foremost, the agent should explain to their seller that if the wholesaler is able to assign their contractual rights, they will do so at a profit. In other words, the wholesaler intends to find a buyer who will ultimately pay more money than the contract price between the seller and wholesaler. If the seller is uncomfortable with this, they should decline the offer and seek a buyer willing to purchase the property for a greater sum. Second, if there is a risk that the wholesaler will fail to close escrow if they are unable to assign their equitable interest, that too should be explained to the seller so that they understand the risks associated with accepting the wholesaler's purchase offer.

Q10. If the listing agent learns that the buyer is a wholesaler who intends to assign their contractual rights prior to close of escrow, must the listing agent disclose this information to the seller?

A10. Yes. An agent's disclosure obligation to the client arises from their fiduciary duty. Part of that fiduciary duty is the obligation to make a complete and full disclosure of all known material facts that might affect the client's decision to sell the property.



ADRE Calendar of Events - 2021

The Arizona Department of Real Estate will be closed on the following holiday:

Memorial Day - Monday May 31, 2021

ADVISORY BOARD MEETING (Public Meeting)

The next Real Estate Advisory Meeting will be held on **April 21, 2021**

at ADRE or by Virtual Meeting from 10:00am - 12:00pm

Arizona Department of Real Estate

100 N. 15th Ave. Suite 201

Phoenix, AZ 85007

EDUCATION ADVISORY MEETING (Public Meeting)

The next Real Estate Advisory Meeting will be held on **March 10, 2021**

at ADRE or by Virtual Meeting from 10:00am - 12:00pm

Arizona Department of Real Estate

100 N. 15th Ave. Suite 201

Phoenix, AZ 85007

DEVELOPMENT SERVICES LUNCH AND LEARN

The next Real Estate Advisory Meeting will be held on **April 22, 2021**

at ADRE or by Virtual Meeting from 11:30am - 1:00pm

Arizona Department of Real Estate

Pre-register with ADRE by emailing ahansen@azre.gov

REAL ESTATE PARTNERS MEETING

The next Real Estate Advisory Meeting will be held on **April 8, 2021**

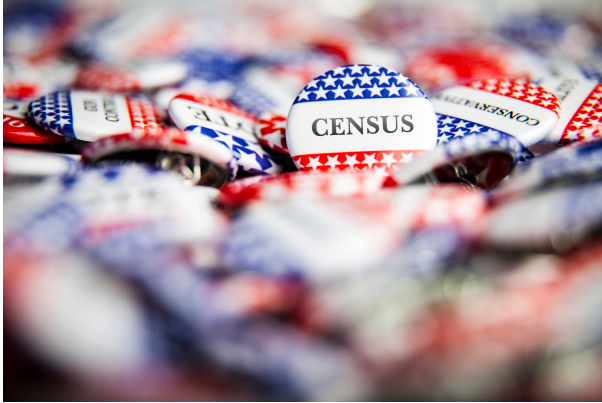
at ADRE or by Virtual Meeting from 10:30am - 1:00pm

Arizona Department of Real Estate

Pre-register with ADRE by emailing ahansen@azre.gov

Was 2020 A Record Setting Year? U.S. Census Bureau Releases New AZ Population Numbers

Article published by Fletcher Wilcox- The Wilcox Report



Let's recap 2020 by number of sales, new listings, median purchase price, median monthly rent and dollar sales volume for single family resale homes in Greater Phoenix. I will compare these categories to 2019. And I will compare some of these categories quarter by quarter in 2020 for trends. Additionally the U.S. Census Bureau released in December their state population numbers. Find out in this report where Arizona ranked in numeric population increase.

Demand to own was right out the gate at the start of 2020. Sales were fifteen percent higher in January 2020 over January 2019. The total number of sales in the first quarter of 2020 finished ten percent higher than first quarter 2019. 2020 new listings in the first quarter were not right out the gate. They were seven percent less than first quarter 2019. These results were all pre-COVID-19 except for some COVID-19 related fallout at the end of March which did reduce some sales and new listings. Overall the 2020 first quarter had increased demand and a decreased supply. This was the fuel for the 2020 acceleration of home appreciation. In January the median purchase price was \$320,000. By March it was \$335,000 for a gain of \$15,000 or five percent in just two months. Then something happened.

COVID-19. The shutdown. An unknown future. This caused both listings and sales to take a tumultuous tumbling. 2020 second quarter new listings were down seventeen percent and sales were down twenty-three percent compared to the same time last year.

When comparing the second quarter of 2020 to the first quarter of 2020 new listings were eleven percent less; sales were higher but only by four percent or 704 more sales. To put in perspective the affect COVID-19 had on second quarter 2020 sales and how weak they were, let's look at 2019 numbers. In 2019 second quarter sales were forty-eight percent or 6,935 higher than in the 2019 first quarter. Historically the second quarter generally has more sales than any other quarter of a year. But not in 2020.

Now for 2020 fourth quarter results. 2020 fourth quarter new listings outperformed the fourth quarter of 2019 by eight percent more listings. Even though there were more new listings the second half of 2020 than 2019 it did not feel like it. The reason being that days on market kept decreasing in 2020.

Many homes once listed were gone in a flash. This decrease in days on the market kept the level of active listings at any one time very low. In November 2019 agent days on market were fifty-two compared to thirty-six in November 2020. When comparing new listings in the 2020 fourth quarter to the 2020 third quarter they were down twenty-one percent. Historically the fourth quarter, out of all the quarters of a year, has the least number of new listings. 2020 was no different in this aspect. Sales had better numbers. 2020 fourth quarter year-over-year sales were twenty-four percent higher, but compared to the 2020 third quarter were less ten percent. Again this followed a historic seasonal pattern.

(continued on pg. 9)

Was 2020 A Record Setting Year? U.S. Census Bureau Releases New AZ Population Numbers (Cont.)

Article published by Fletcher Wilcox- The Wilcox Report

Median Purchase Price. As mentioned earlier, the median purchase price from January to March increased by \$15,000 or five percent ending at \$335,000 in March. Then by May, because of the COVID-19 storm, it retreated by eight thousand or two percent to \$327,000. In June it was \$340,000 setting a new median purchase price record. But the median purchase price did not stop going up in June. It increased each month thereafter, thus setting new records each month. December's median purchase price for a single family resale home in Greater Phoenix was \$375,000. The seventh consecutive record breaking month. Overall, the median purchase price in 2020 was \$43,500 or fourteen percent higher than 2019. This was the highest year-over-year increase in seven years.

Dollar Sales Volume. Dollar sales volume for single family resale homes was thirty-two billion. A record. 2019 had the previous record at twenty-seven billion. In 2005 it was twenty-six billion.

Median Monthly Rent. Not only did the median purchase price climb in 2020 so did the median monthly rent. December's median monthly rent was \$1,850. This was twelve percent increase over December 2019's median monthly rent of \$1,650.

U.S. Census Bureau Releases New State Population Numbers. In December, the U.S. Census Bureau came out with their annual population report. Amongst all fifty states, Arizona finished third in numeric population increase for the second consecutive year.

According to the Census Bureau Arizona gained 129,558 people or an average of 355 people per day. Arizona's population is now 7,421,401.

Texas was number one in numeric population gain at 373,965 and Florida was number two with a gain of 241,256. The top three states for numeric population loss were New York down 126,355, Illinois down 79,487 and California down 69,532 people. Any surprise?

Conclusion So what will the start of 2021 look like for the single family resale home market? Expect the tremendous demand momentum in the second half of 2020 to carry over into 2021. Demand will gain velocity in January when more buyers start buying and more sellers list their homes. Overall, active listings will remain low in the first quarter. Expect competition everywhere.

Table One: Year-Over-Year Comparison of Sales and New Monthly Listings

			%					%	
Sales	2019	2020	Change	Change	Listings	2019	2020	Change	Change
January	3,863	4,456	593	15.4%	January	7,593	6,722	-871	-11.5%
February	4,527	5,166	639	14.1%	February	6,670	6,520	-150	-2.2%
March	5,954	6,118	164	2.8%	March	8,041	7,548	-493	-6.1%
April	6,874	4,903	-1,971	-28.7%	April	7,816	6,327	-1,489	-19.1%
May	7,577	4,800	-2,777	-36.7%	May	7,958	6,116	-1,842	-23.1%
June	6,828	6,741	-87	-1.3%	June	6,594	6,120	-474	-7.2%
July	6,705	7,281	576	8.6%	July	6,182	7,022	840	13.6%
August	6,396	6,314	-82	-1.3%	August	6,764	7,469	705	10.4%
September	5,658	6,607	949	16.8%	September	6,539	7,537	998	15.3%
October	5,603	6,910	1,307	23.3%	October	6,979	7,605	626	9.0%
November	4,973	6,242	1,269	25.5%	November	5,334	5,539	205	3.8%
December	5,467	6,714	1,247	22.8%	December	3,813	4,334	421	11.0%
Total	70,425	72,252	1,827	2.6%	Total	80,283	78,859	-1,424	-1.8%

U.S. Department of Justice Requires Transparency on Real Estate Commissions

Excerpted from the ARELLO Boundaries Magazine

In an action that will impact all real estate licensees, the National Association of Realtors (NAR) agreed to a settlement with the U.S. Department of Justice wherein the association will modify its policies to provide more disclosure on home buyers' broker commissions. According to a report in The Washington Post buyers' agents will be obligated to tell their clients about the compensation they are being offered and won't be able to describe their services as free to the buyer.

Glenn Kelman, CEO of Redfin real estate brokerage, whose firm has been publishing buyers' agent compensation offers for several months, told the Washington Post, "no one knows better than Redfin how hard it is for an agent to offer homebuyers a better deal when the fees brokerages charge are a secret...This settlement will let any real estate site show how much a buyers' agent stands to earn on any sale. The fees for representing a seller are already competitive because the sellers' agent discloses her fees up front. Now the fees for representing a buyer will become competitive too, which can save consumers billions of dollars every year."

The settlement also requires NAR to modify some of its rules concerning multiple listing services to reflect more transparency regarding the payment of commission fees to real estate brokers. Under the terms of the settlement, sellers' agents must publicly disclose the commission they are offering to buyers' agents for the closing of a sale of properties listed on a multiple listing service. Recently, some companies have attempted to provide consumers more direct access to real estate listings and other relevant information as alternatives to the multiple listing services present in most urban areas of the United States.



HOA Petition Process Update



In 2016, the Arizona Legislature passed legislation moving the Homeowners Association (HOA) Dispute Process to the Arizona Department of Real Estate (ADRE) Link to Legislation. The Arizona Office of Administrative Hearings (OAH) will accept all cases as referred by the ADRE and schedule a Hearing Date before an Administrative Law Judge (ALJ).

The chart shown provides information relating to the HOA Dispute Process for Fiscal Year 2021, Second Quarter (October - December 2020).

Further information on the HOA Dispute Process can be reviewed on the ADRE website, www.azre.gov.

	Oct	Nov	Dec	FY2021 YTD
# of Petitions Filed	5	3	3	31
# of Petitions Closed	4	3	6	23
# of Decisions Issued	1	9	5	36
# of Petitioners Prevailed	0	3	1	5
# of Respondents Prevailed	0	3	3	24
# Settled after Hearing Scheduled	0	0	0	0
# Withdrawn Prior to Referral	1	3	1	7
# Denied	0	0	0	0

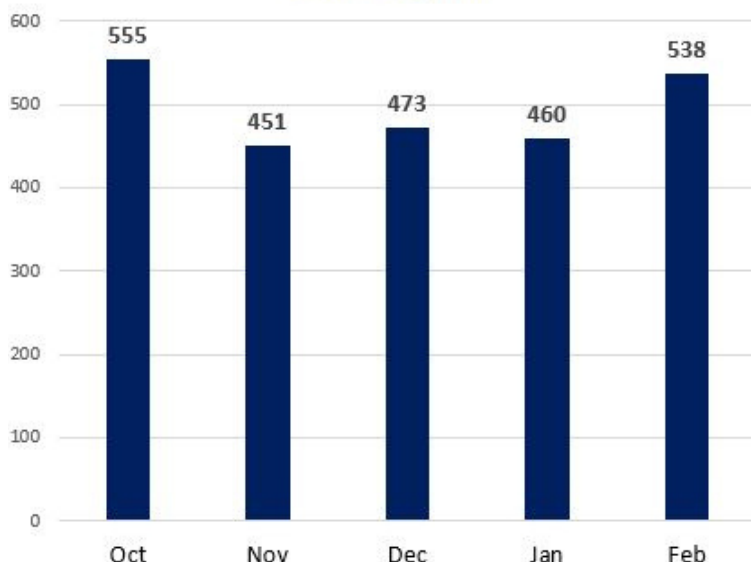
Top 5 Issues 2nd Quarter	
#1	Architectural/Design Review
#2	Records Request
#3	Open Meeting
#4	Common Property Maintenance
#5	Board not following Community Documents or Proper Procedure

Licensing Statistics

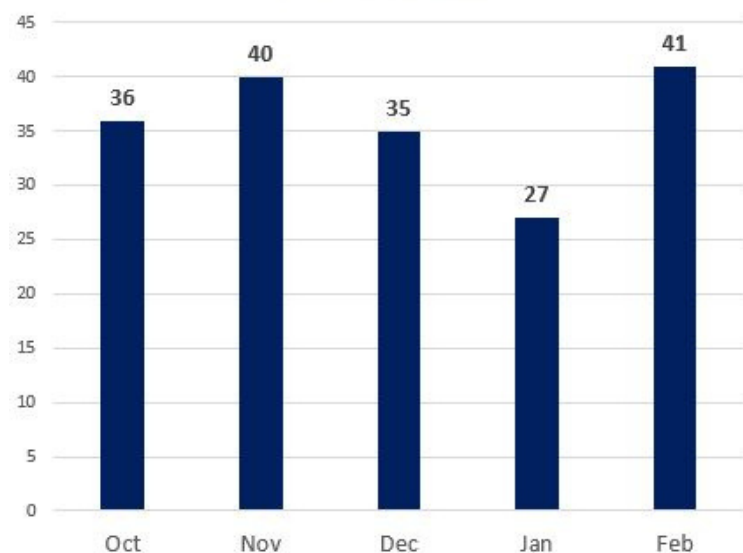
The Department of Real Estate started the month of March 2021 with 89,836 total Arizona real estate licensees (includes active, inactive, and grace period). Of that total there are 68,806 active salespersons, broker, and entities. [View the fully updated real estate licensee totals each month on www.azre.gov](http://www.azre.gov).

ADRE continues to see a steady number of original real estate license applications from individuals pursuing a career in the real estate profession.

Sales Original



Broker Original



REALTOR® Owned Fix and Flips; Make Sure To Know the Law

Article published by the Arizona Association of Realtors

One of the most distinct and advantageous features of real estate is that it is an improvable asset. Owners of real property can have a direct effect on a property's value, whether by performing large scale renovations or small cosmetic upgrades. For this reason, fixing and flipping houses is a prevalent investment strategy, offering investors the potential of realizing significant profits over a short period of time. Many REALTORS® are attracted to fix and flip opportunities. As real estate professionals, REALTORS® often have an in-depth knowledge of the local real estate market, enabling them to make well-informed investment decisions. While REALTORS® are free to personally buy, improve, and sell properties for profit, in so doing they must be certain to comply with their legal and ethical obligations.

The Use of Licensed Contractors

REALTORS® should be mindful of the fact that there are statutory requirements in place that apply when an owner attempts to sell their own property after improving it. A.R.S. § 32-1121(A)(5) allows an owner of real property, with their own employees or with duly licensed contractors, to build or improve the property themselves without being licensed with the Arizona Registrar of Contractors. However, this applies only if the property is not intended to be placed for sale or for rent.

According to the statute, prima facie evidence that the project was undertaken for the purposes of sale or rent is "proof of the sale or rent or the offering for sale or rent of any such structure by the owner-builder within one year after completion or issuance of a certificate of occupancy." In other words, if a property is sold or offered for sale within one year of completion of the repairs, the court will presume that the work was performed for that purpose.

This restriction obviously impacts REALTORS® pursuing their own fix and flips as most have no intention of living in the property or holding on to it for a period of one year following the completion of improvements.

Fortunately, A.R.S. § 32-1121(A)(6) exempts developers who build structures or appurtenances to structures on their property for purposes of resale provided that they contract with a licensed general contractor or licensed specialty contractor. To qualify for this exemption, the licensed contractors' names and license numbers must be included in all sales documents.

REALTOR® as Principal

When personally investing in real estate, REALTORS® typically act either in their individual capacity or through a corporate entity in which they hold a stake. In both cases, the REALTOR® maintains an ownership interest which must always be disclosed.

A.A.C. R4-28-1101(E) prohibits a real estate salesperson from acting directly or indirectly in a transaction without informing the other parties to the transaction in writing before the parties enter into a binding agreement. Similarly, Article 4 of the REALTOR® Code of Ethics states that "REALTORS® shall reveal their ownership or interest in writing to the purchaser or purchaser's representative."

Advertising

In the fix and flip business, time is money. The more holding costs the owner incurs, the less profit they realize. For this reason, fix and flippers aggressively advertise properties in the hopes of quickly finding a buyer.

A.A.C. R4-28-502(B) makes it clear that a real estate licensee advertising their own property for sale must disclose their status as a salesperson or broker by placing the words "owner/agent" in the advertisement. Article 12 of the REALTOR® Code of Ethics imposes similar obligations, prohibiting REALTORS® from advertising property in a way in which their status as a real estate professional is not readily apparent.



REALTOR® Owned Fix and Flips; Make Sure To Know the Law (Cont.)

Property Condition Disclosures

Flippers often claim to know little about the property because they never resided there. Unfortunately, such representations are frequently false.

Fix and flip, by its very name, reflects the fact that repairs and/or upgrades were made to portions of the property before it was listed for sale. As a result, flippers often possess knowledge of the property's condition, as well as an understanding of the work performed.

In light of this knowledge, disclosure obligations are imposed. Not only does A.A.C. R4-28-1101(A) impose upon real estate licenses a duty to deal fairly with other parties to the transaction, A.A.C. R4-28-1101(B) requires licensees participating in a real estate transaction to disclose in writing to all other parties any information the licensee possesses that materially or adversely affects the consideration to be paid by any party to the transaction.

Furthermore, all sellers have a duty to disclose known facts materially affecting the value of the property that are not readily observable and are not known to the buyer. See *Hill v. Jones*, 151 Ariz. 81, 725 P.2d 1115 (App. 1986).

Dual Agency

A dual agent cannot favor one party over another, nor can they disclose confidential information such as the price one party is willing to pay or accept. Ordinarily, this is not a problem and dual agency is specifically authorized by Arizona law with the written consent of both parties. See A.A.C. R4-28-1101(F).

However, some situations present an unwaivable conflict of interest that precludes dual representation. An example would be a REALTOR's® attempted representation of a buyer seeking to purchase a property in which the REALTOR® holds an ownership interest. In such a case, the real estate professional simply cannot equally represent both themselves and the buyer. Consequently, when a REALTOR® has an ownership interest in the fix and flip property, dual agency should be avoided and the buyer encouraged to secure separate representation.

Insurance

Errors and omissions (E&O) insurance is a form of malpractice coverage that provides real estate licensees with protection for claims of wrongdoing resulting from their work in the real estate profession. However, many such policies do not provide coverage when the real estate agent is selling a property they personally own, or own via a corporate entity.

Those policies that do cover agent owned property transactions often require that the real estate professional take certain steps before coverage applies, such as paying for a home warranty for the buyer's benefit. REALTORS® seeking errors and omissions insurance coverage for their personally owned fix and flip transactions should therefore consult their E&O policy before pursuing investment opportunities of this nature.

Conclusion

Licensing laws and ethical obligations often do not allow real estate professionals to differentiate between the services they provide for others and the activity they undertake in conjunction with their own transactions. To protect the public, licensees must therefore be sure to comply with all ethical and statutory requirements whether acting as an agent or as a principal.



ARIZONA REAL ESTATE ADVISORY BOARD

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Education Update



- Number of Active Schools (including branches): 243
- Total number of active courses: 2,539
- Number of instructors: 771
- Total number of Broker Exams administered in February: 27
- Total number of Salesperson Exams administered in February: 608
- Examination Passing Rates for First-Time Test Takers in February:
 - Broker: 78%
 - Salesperson: 62%
- Out-of-State License Examinations Administered February: 67
 - Broker: 33% (Passing Rate for First-Time Test Takers)
 - Salesperson: 44% (Passing Rate for First-Time Test Takers)

Reminders For All Schools

Instructor Qualifications: Check the ADRE website for the NEW Instructor Approval Application (Form ED-101).

14 Day Course Notices - Real Estate Statute requires Schools to properly schedule the course event location in the "14 day Notice" pursuant to A.R.S. §32-2135, including if, the course is held at a location other than the school location.

Real Estate Exam Performance Summaries by School (pass/fail rates for 1st time test takers) are available on the ADRE website. These summaries are updated monthly.

- [Click here](#) for more information.
- [Click here](#) to view the **February Educator Update** on the ADRE website.

Number of "First Time Exam Takers"

EXAM TYPE	DEC	JAN	FEB
Real Estate Broker	19	41	27
Real Estate Salesperson	408	555	608
Cemetery Salesperson	5	2	0
Membership Camping Broker	0	0	0
Membership Camping Salesperson	0	0	0
Universal License Recognition - Broker	14	4	12
Universal License Recognition - Salesperson	29	33	55

Total CE Courses Entered by Renewing Licensees: 54,922

Distance Learning Courses Entered by Renewing Licensees: 41,572

Percentage Distance Learning Courses Entered by Renewing Licensees: 76%

VOLUME 2021 - ISSUE 1

The Periodic Bulletin from
the Arizona Department of
Real Estate

An official publication of
the State of Arizona

DOUGLAS A. DUCEY
GOVERNOR

JUDY LOWE
COMMISSIONER

PLANNING A COMPANY EVENT?

To stay up-to-date with what's happening in real estate, and to hear "What's Making the Phone Ring at ADRE?", invite Commissioner Judy Lowe or Deputy Commissioner Louis Dettorre to speak to your group. For scheduling a potential date, complete the Commissioner Scheduling Request form on www.azre.gov under the "Contact" button.



Education Advisory Committee Update



The ADRE's Education Advisory Committee's task is to offer support to the ADRE to fulfill its mission of: "Protecting the public interest by raising the level of professionalism in the real estate sector without increasing barriers to entry into the sector." Membership of the EAC is composed of members that participate in public meetings at the ADRE on a quarterly basis. The EAC members are valued volunteers and are not compensated for their time, nor reimbursed for expenses. Over the past several years, the EAC has worked diligently to provide ADRE with recommendations on an array of education issues pertaining to real estate licensees and the real estate industry. Visit the ADRE website www.azre.gov to view the EAC Calendar of meeting dates, past and current minutes and meeting agendas.



The current EAC members and terms are:

(July 2019 - July 2021)

Marti Barnewolt	Barb Freestone
Debbie Shields	Mary Sand
Cheryl Terpening	Betty Winn
Kim Horn	

(July 2020 - July 2022)

Jenny Hogan-Lizarraga	Patrick Sheahan
Greg Muir	
Theresa Barnabei	



Raising The Education Bar

During February and March a small group of Arizona real estate "icons" have worked with the Arizona real estate exam vendor, Pearson VUE, as Subject Matter Experts (SME's). Many hours have been given to review the existing exam questions, as well as, writing new questions for the Exam Question Bank. Arizona Department of Real Estate (ADRE), along with all existing and future real estate professionals say:

"THANK YOU TO THE SME TEAM " FOR VOLUNTEERING THEIR PRECIOUS TIME TO "Raise the Education Bar" of our profession.

**Carla Bowen
Duane Washkowiak
Shannon Wellman**

**Jesi Wolnick
Laurie McDonnell
Erin Holman**

Michele Williamson

DISCIPLINARY ACTIONS

December, 2020 TO March, 2021

ABBREVIATIONS USED

ASA	ACCELERATED SETTLEMENT AGREEMENT	ED	ADDITIONAL EDUCATION
BA	BROKER ACKNOWLEDGEMENT	FEL	FELONY
C&D	CEASE & DESIST	J&S	JOINT & SEVERAL
CFO	COMMISSIONER FINAL ORDER	LG	LICENSE GRANTED
CO	CONSENT ORDER	MISD	MISDEMEANOR
COA	CERTIFICATE OF AUTHORITY	PL	PROVISIONAL LICENSE
CONV	CONVICTION	PM	PRACTICE MONITOR
CP	CIVIL PENALTY	UA	UNLICENSED ACTIVITY

Name	License Number	Brokerage at time of violation	Location	Summary	Order
Gordon, Stacey	SA624886000	Desert Platinum Properties, LLC	Scottsdale, AZ	Subdivision Violation - Sales w/o a public report	ASA - \$500 CP, 12 hrs. ED
Gordon, Jason	SA551629000	Desert Platinum Properties, LLC	Scottsdale, AZ	Subdivision Violation - Sales w/o a public report	ASA - \$500 CP, 12 hrs. ED
Wolf, Tanner	SA688730000 Applicant		Scottsdale, AZ	Convictions	CO-2 yrs. PL/PM
Hill, Bryce	SA692484000 Applicant		Flagstaff, AZ	Convictions	CO-2 yrs. PL/PM
Grosshauser, Debbie	BR624022000		Peoria, AZ	Trust Account Violations	License Surrendered
Horchler, Richard Jr.	SA103735000	Realty Executives, LLC	Scottsdale, AZ	Subdivision Violation - Sales w/o a public report	ASA - \$500 CP, 12 hrs. ED
Dawson, Frederick T.	SA664166000	Prosmart Realty	Gilbert, AZ	Real Estate activity while license was inactive.	ASA-\$1000 CP, 12 hrs. ED
Flemming, Lisa M	SA640270000	Realty One Group	Goodyear, AZ	Advertising Violations	ASA-\$750 CP, 9 hrs. ED
Dean, Kevin	SA693255000 Applicant		Glendale, AZ	Convictions	CO-2yrs. PL/PM
Coleman-Underwood, Taylor	SA682595000		Sedona, AZ	Convictions	ASA-\$1,000 CP, 9 hrs. ED
Gutierrez, Gabriel E.	SA642781000		Yuma, AZ	Convictions	ASA-\$1,000 CP, 9 hrs. ED
Michael, Karen	SA693211000 Applicant		Phoenix, AZ	Convictions	CO-2yrs. PL/PM
Powers, Kelly	SA693270000 Applicant		Surprise, AZ	Convictions	CO-2yrs. PL/PM
Johnson, Shawn	SA693454000 Applicant		Rowland Heights, CA	Convictions	CO-2yrs. PL/PM
Jenkins-Downing, Jasmine	SA693736000 Applicant		Phoenix, AZ	Convictions	CO-2yrs. PL/PM
Zacarias, Juan	SA690143000 Applicant		Tucson, AZ	Convictions	CO-2yrs. PL/PM
Ried, Christopher	SA669004000	Russ Lyon, LLC	Tucson, AZ	Convictions	ASA-\$1,000 CP, 9 hrs. ED
Felix Jr., Julio Cesar	SA666169000	My Home Group	Phoenix, AZ	Convictions	ASA-\$1,000 CP, 9 hrs. ED
Matthews, Jennifer	SA669896000	Homesmart LLC	Phoenix AZ	Convictions	ASA-\$1,000 CP, 9 hrs. ED
Torres, Fabian	SA653654000	My Home Group	Glendale AZ	Real Estate activity while license was inactive	ASA-\$1,000 CP, 6 hrs. ED
Alexander Sean, and Forrest Lake Ranches of Mogollon Rim LLC	Unlicensed individual and Unlicensed Entity			Subdivision Violation - Sales w/o a public report	CO-\$1,000 CP, C&D
Chance, William	SA693963000 Applicant		Goodyear, AZ	Convictions	CO-2yrs. PL/PM
Shulman Brittany	SA556380000	Schlegel Real Estate LLC	Phoenix AZ	Breach of Fiduciary Duty/Failed to Deal Fairly	ASA-\$1,500 CP, 9 hrs. ED
Bellavigna Bridget and Desert Paradise Realty & Property Management LLC	BR539315000	Desert Paradise Realty & Property Management LLC	Chandler AZ	Trust Account Irregularities	CO-\$3,000 CP, 2yrs.PL, 12 hrs. ED
Madsen, Josh	SA583387000 Applicant		Green Valley, AZ	Convictions	CO-2yrs. PL/PM

DISCIPLINARY ACTIONS

December, 2020 TO March, 2021

Name	License Number	Brokerage at time of violation	Location	Summary	Order
Eisnaugle, Jeffry	BR692243000 Applicant		Denver, CO	Revocation of Securities License	CO-2yrs. PL/PM
Garcia, Betsabe	BR52276000	Sonoran Vista Properties, LLC	Mesa, AZ	Violation of Rules & Regulations Failure to Supervise	ASA-\$1000 CP, 9 hrs. ED
Gilham, Brian	BR572504000	Gillham Team Real Estate, LLC	Goodyear, AZ	Conviction	License Suspension
Brevetti, Alicia Loren	SA680523000	Holiday Inn Club Vacations, Inc.	Phoenix, AZ	Failure to Disclose	CFO-\$500 CP
Shinkle, Tim	BR545921000	Core Realty Professionals, LLC	Flagstaff AZ	Trust Account Irregularities	CO-\$5000 CP, 12 hrs. CP, 2yrs. PL/PM– Trust Account Monitoring
Lewis, Enos L.	SA021071000	West USA Realty, INC	Phoenix, AZ	Violation of Rules & Regulations	CFO-Revocation; \$2000 CP
Core Realty Professionals, LLC	LC643566000		Flagstaff, AZ	Trust Account Irregularities	CO-\$5000 CP, 12 hrs. CP, 2yrs. PL/PM– Trust Account Monitoring
Alvarez, Robin	SA624367000	Bluebonnett Ventures, LLC	Tucson, AZ	Subdivision sales	ASA-\$500 CP, 12 hrs. ED
Pick, Richard	Unlicensed		Phoenix, AZ	Unlicensed property management	C & D
Aguilar, Jesus	SA560511000	Southern Arizona Brokerage LLC	Tucson AZ	Late Renewal with Last Disclosure	CFO-\$1,000 CP
Seekatz, Russell Applicant	SA693323000		Tucson, AZ	Convictions	CO-2yrs. PL/PM
Rego, Tanner Applicant	SA693024000		Maricopa, AZ	Convictions	CO-2yrs. PL/PM
Knights, Randall Applicant	SA694109000		Cottonwood, AZ	Convictions	CO-2yrs. PL/PM
Sicka, Ashley Applicant	SA693692000		Gilbert, AZ	Convictions	CO-2yrs. PL/PM
Hearon, Dane Applicant	SA691555000		Scottsdale, AZ	Convictions	CO-2yrs. PL/PM
Ryberg, Teresa	SA574240000	Chapman Management Group, LLC	Vail, AZ	Convictions	CO-2yrs. PL/PM
Morales, Tiffany Applicant	SA638635000		Tucson, AZ	Convictions	ASA-\$400 CP
Pittman, Joshua, Applicant	SA693250000		Peoria, AZ	Convictions	CO-2yrs. PL/PM
Beaudin, Ryan William	SA687515000	Realty Executives, LLC	Chandler, AZ	Convictions	ASA-\$1,000 CP, 12 hrs. ED
DLC Enterprises LLC	Unlicensed		Mesa AZ	Subdivision (Violation)	ASA-\$1,000 CP
Pinkston III, Nelson	SA683625000	Homesmart	Goodyear, AZ	Convictions	ASA-\$500 CP, 6 hrs. ED
Eaglin, Raina Applicant	SA694038000		Phoenix, AZ	Convictions	CO-2 yrs. PL/PM
Peacock, Kathleen Applicant	SA693602000		Phoenix, AZ	Convictions	CO-2 yrs. PL/PM
Seilinger, Lauren Applicant	SA692397000		Scottsdale, AZ	Convictions	CO-2 yrs. PL/PM
Gyles, Tiffany Applicant	SA694226000		Phoenix, AZ	Other Jurisdiction	CO-2 yrs. PL/PM
Rumpf, James Applicant	SA691862000		Phoenix, AZ	Convictions	CO-2yrs. PL/PM
Dade, Tori Applicant	SA691896000		San Tan Valley, AZ	Convictions	CO-2yrs. PL/PM
Chamseddine, Imad Applicant	SA694050000		San Tan, AZ	Convictions	CO-2yrs. PL/PM
O'Neill, Eric Applicant	SA693889000		Scottsdale, AZ	Convictions	CO-2yrs. PL/PM
Maurer, Cole Applicant	SA694368000		Scottsdale, AZ	Convictions	CO-2yrs. PL/PM
Pierides, Jenna	SA671492000		Phoenix AZ	Convictions	ASA -\$500 CP, 9 hrs. ED

DISCIPLINARY ACTIONS

December, 2020 TO March, 2021

Name	License Number	Brokerage at time of violation	Location	Summary	Order
Lent, Tabatha	BR631987000	Kingman High Desert Realty LLC	Kingman, AZ	Failure to obtain Public Report	ASA-\$500 CP 12hrs. ED
Stiehl, Danielle	SA624566000		Scottsdale, AZ	Non-Compliance (Order)	CO-PL/PM 2 yrs.
Scott., Floyd	BR007247000	Arizona Foothills Realty INC	Phoenix, AZ	Failure to Supervise	ASA-\$500 CP 6hrs. ED
Kreuser, Jessica	SA663474000	Arizona Foothills Realty INC	Phoenix AZ	Subdivision (Violation)	ASA-\$1,500 CP 12hrs. ED
Chasse, Michael	BR017537000	Strategic Assets Group LLC	Scottsdale, AZ	Unlicensed Activity by a Licensee	ASA-\$2,000 CP 9hrs. ED
Careccia, Jennifer	SA625855000	Russ Lyon, LLC	Phoenix, AZ	Conviction	ASA-\$1,000 CP 12 hrs. ED
Barschow, William Applicant	SA694025000		San Tan Valley, AZ	Convictions	CO-2yrs. PL/PM
Harrell, Catherine & The Harrell Corporation dba McGee Properties	BR013795000 & CO511419000	The Harrell Corporation	Bullhead City, AZ	Violation of rules and Irregularities	CO-\$5,000 CP 12hrs. ED, Voluntary C&D
Lewis, Enos L.	SA021071000	West USA Realty, INC	Phoenix, AZ	Violation of Rules & Regulations	Revised CFO-Revocation; \$1,000 CP
Contreras, Joel	SA556817000	Homesmart LLC	Scottsdale, AZ	Failure to Disclose	ASA-\$1,000 CP 9hrs. ED
Turnberg, Karl	BR014015000	Midland Real Estate Alliance LLC	Tempe, AZ	Failure to Meet Professional Standards	ASA-\$2,000 CP 15hrs. ED
Bernard, David	SA682725000	Tierra Antigua Realty LLC	Tucson, AZ	Failure to Disclose	ASA-\$500 CP 6hrs. ED
Schrader, Michael	SA652567000		Gilbert, AZ	Failure to Disclose	ASA-\$1000 CP 9hrs. ED
Wilfert, John G. Applicant	SA690455000		Tucson, AZ	Conviction	CO-2yrs. PL/PM
Onwordi, Chibuzor Applicant	SA694296000		Gilbert, AZ	Convictions	CO-2yrs. PL/PM
Adamo, Benedict	SA563996000		Phoenix, AZ	Unlicensed activity	Cease & Desist
Mousetis, Traci	SA563999000		Phoenix, AZ	Unlicensed activity	Cease & Desist
Affordable Business Concepts	Unlicensed		Phoenix, AZ	Unlicensed activity	Cease & Desist
Meincke, Jana	SA73972000	RE/MAX Fine Properties	Scottsdale, AZ	Felony <10 years	Summary Suspension
Fernce, Dennis	SA692995000		Chino Hills, CA	Felony <10 years	CO-2yrs. PL/PM
Pena, Maria	SA635336000	Genesis Real Estate & Management LLC	Tucson AZ	Failure to Disclose	ASA-\$1000 9hrs. ED
Nowak, Norm	SA655887000		Lake Havasu City, AZ	Failure to Disclose	ASA-\$1,000 9hrs. ED
Shattuck, John G.	BR110915000	John Shattuck	Tucson, AZ	Unlicensed activity	CFO-\$1,000 CP
Prieto, Ramon	SA674367000		Goodyear, AZ	Failed to timely disclose	CFO-\$2,000 CP
McCabe, Mary Applicant	SA690641000		Phoenix, AZ	Conviction	CFO-License denied
Ferrell, Norman	SA516762000		Scottsdale, AZ	Conviction	CFO-Revocation
Breiman, Colton	SA684998000	Wyndham Resort Development Corporation	Scottsdale AZ	Conviction	CO-1yr PL/PM, \$2000 CP, 12hrs. ED
McQuaid, Natalie	SA657566000		Phoenix, AZ	Failure to Disclose	ASA-\$1,000 CP, 9hrs. ED
Torres, Emanuel	SA688013000	The Realty Agency	Yuma, AZ	Felony Conviction	Summary Suspension

BROKER AUDIT HONOR ROLL

December, 2020 TO March, 2021
Brokers in Substantive Compliance

License No.	Broker Last Name	Broker First Name	Brokerage	Type of Audit	Location
BR561834000	METCALFE	SCOTT R.	CANAM REALTY GROUP	Audit - Onsite Main	PHOENIX
BR573059000	PFAFFENBACH	JEAN	CAPRI REALTY	Audit - Onsite Main	PEORIA
BR007042000	DOUBLE	STEVEN "STEVE" P.	SOUTHWEST PREFERRED PROPERTIES, INC.	Audit - Onsite Main	BUCKEYE
BR006144000	YOST	DEBORAH A.	RE/MAX CASA GRANDE	Audit - Onsite Main	CASA GRANDE
BR561500000	CANDELARIA	ROBERTA K.	PHOENIX URBAN SPACES, LLC	Audit - Onsite Main	PHOENIX
BR625048000	MOLBREAK	ZACHARY R.	ZRM REAL ESTATE	Audit - Onsite Main	TEMPE
BR023978000	GARDINER	DANIEL J.	PHOENIX COMMERCIAL ADVISORS	Audit - Remote Sales	PHOENIX
BR026436000	KOZELL	TERRY B	KOZELL REAL ESTATE	Audit - Onsite Main	GILBERT
BR512874000	ADAMS	REBECCA J.	BECCA HOMES REALTY	Audit - Remote Sales	TEMPE
BR563294000	AHLVIN	JOSHUA D.	THE A.R.E. GROUP	Audit - Remote Sales	PEORIA
BR037280000	DOUGLASS	WILLIAM R.	UPLAND GROUP INC.	Audit - Onsite Main	TEMPE
BR012844000	LABLONDE	MICHELE J.	LABLONDE REALTY, LLC	Audit - Remote Sales	SCOTTSDALE
BR006892000	RAE	KENNETH A.	RAE AND ASSOCIATES, INC.	Audit - Onsite Main	MESA
BR008760000	BREINHOLT	LEROY	COMMERCIAL PROPERTIES	Audit - Remote Sales	TEMPE
BR031498000	CROUCH	SCOTT	KELLER WILLIAMS NORTHEAST REALTY	Audit - Remote Sales	PHOENIX
BR543533000	BAKER	BARBARA M.	BARBARA BAKER REALTY	Audit - Remote Sales	SEDONA
BR377012000	ALI	FRANCESCO	PORTOFINO REALTY	Audit - Remote Sales	TUCSON
BR577942000	LONTKOWSKI	ROBERT F.	SONORAN PROPERTIES ASSOCIATES	Audit - Remote Sales	SCOTTSDALE
BR572880000	SANDERS	DUSTIN H.	EMERALD SANDERS REALTY	Audit - Remote Sales	GILBERT
BR557238000	CORNELL	BETH A.	AZ VIRTUAL REALTY	Audit - Remote Sales	FLAGSTAFF
BR505534000	GORR	JOHANNA A.	GORR REAL ESTATE	Audit - Remote Sales	SUN CITY
BR540450000	SCHNEIDER	KARON	ARIZONA REALTY VENTURES LLC	Audit - Remote Sales	ROOSEVELT
BR637109000	BOBO	JOHN C.	HOMESMART PROFESSIONALS	Audit - Remote Sales	LAKE SIDE
BR101229000	SPERRAZZA	SAL	LAND RUSH REALTY, LLC	Audit - Remote Sales	HEBER
BR546045000	SHAFFER	SANDRA D.	AFFINITY PREMIER PROPERTIES, LLC	Audit - EBAR w/ Sales	LAKE HAVASU CITY
BR640179000	MACHADO	DENISE	ABBOTT REALTY LTD.	Audit - EBAR w/ Sales	DOUGLAS
BR009193000	CHRISTENSEN	SUSAN K.	LONG REALTY PARTNERS	Audit - Remote Sales	MESA
BR632938000	PORTER	DANIEL J.	RE/MAX SOLUTIONS	Audit - Onsite Main	CHANDLER
BR578492000	BUTLER	SHERRY L.	SAN TAN VALLEY REAL ESTATE CO., LLC	Audit - Remote Sales	QUEEN CREEK
BR029262000	WALTERS	CHARLES W.	REAL ESTATE BROKERS INTL	Audit - Onsite Main	TEMPE
BR113280000	GREGG	GARY F.	CRESA	Audit - Remote Sales	PHOENIX
BR006550000	DI RUZZA	CHARLES E.	PLATINUM REALTY ONE	Audit - Remote Sales	MESA
BR633866000	POYNER	JOHN C.	PHOENIX PROPERTY GROUP	Audit - Onsite Main	SURPRISE
BR557831000	POYNER	ELAINE M.	PPG PROPERTY MANAGEMENT	Audit - Investigative	SURPRISE
BR008218000	ASA	MARYANN	A.S.A. REALTY	Audit - Remote Sales	GILBERT
BR541814000	LANE	LORI L.	AZ LANE REALTY	Audit - Remote Sales	PHOENIX
BR555154000	TEYECHEA	JEANIE	OPPORTUNITY 2 OWN REAL ESTATE	Audit - Remote Sales	MESA
BR007152000	DECKER	JEFFREY R.	SPRINGS REALTY	Audit - EBAR w/ Sales	MESA
BR569830000	POST	STEPHEN K.	AMBER HOTEL COMPANY	Audit - Remote Sales	AGOURA HILLS, CA
BR094404000	OTT	LARRY L.	LARRY OTT REALTY	Audit - Remote Sales	SUN CITY WEST
BR530618000	SPRAY	MARK	TRUE HOME REALTY	Audit - Remote Sales	PHOENIX

BROKER AUDIT HONOR ROLL

December, 2020 TO March, 2021
Brokers in Substantive Compliance

License No.	Broker Last Name	Broker First Name	Brokerage	Type of Audit	Location
BR648549	BRUSH	ROBERT R.	VACASA	Audit - Onsite Main	SCOTTSDALE
BR115425000	FUCHS	EVAN D.	BULLHEAD LAUGHLIN REALTY	Audit - EBAR	BULLHEAD CITY
BR560385000	CANTRELL	JOHN P.	CANTRELL DEVELOPMENT, INC.	Audit - Remote Sales	KINGMAN
BR520037000	FELDMAN	BENJAMIN M.	PINNACLE REAL ESTATE & INVESTMENTS	Audit - Remote Sales	GILBERT
BR018130000	ADAMS	CYNTHIA K.	DESERT 2 MOUNTAIN REALTY	Audit - Onsite Main	MESA
BR577605000	RYAN	RUTH	SELL 4 LESS REALTY	Audit - Onsite Main	GILBERT
BR005892000	SCHUST	RICHARD D.	FIRST UNITED REALTY, INC.	Audit - Remote Sales	PHOENIX
BR524422000	HAFER	TIMOTHY B.	PINNACLE PROPERTY MANAGEMENT, LLC	Audit - Onsite Main	TEMPE
BR006281000	O'MALLEY	MADELEINE C.	MADELEINE O'MALLEY & ASSOCIATE	Audit - Remote Sales	PARADISE VALLEY
BR579734000	HEATH	BRENDA A.	BEAR CREEK REAL ESTATE & PROPERTY MANAGEMENT	Audit - EBAR	PRESCOTT VALLEY
BR629946000	LANEY	DAVID R.	REALSTAR ADVISORS, LLC	Audit - Remote Sales	PHOENIX
BR013137000	AGUIRRE	HENRY H.	CANYON ROCK REALTY	Audit - Remote Sales	MESA
BR517555000	AGUILAR	JUAN CARLO	HISPANIC REAL ESTATE CENTER	Audit - Remote Sales	PHOENIX
BR636787000	ABDIN	BARBARA	HAZ REALTY, LLC	Audit - EBAR	SCOTTSDALE
BR113607000	MALLARO	THOMAS C.	RE/MAX ADVANTAGER	Audit - EBAR	ANTHEM
BR529220000	MONTEZ	SUSAN M.	THE DANIEL MONTEZ REAL ESTATE GROUP, LLC	Audit - Onsite Main	GILBERT
BR523480000	AKINS	JAMES M.	HIGH COUNTRY REALTY	Audit - Remote Sales	PRESCOTT VALLEY
BR535178000	ALGARAWI	JABIR K.	REALTY RIGHT WAY	Audit - Remote Sales	PHOENIX
BR004434000	PURVIS	JAMES T.	COMMERCIAL PROPERTIES NORTHERN ARIZONA	Audit - Remote Sales	PRESCOTT
BR009567000	CURTIS	CAROLYN C.	CAROLYN C. CURTIS	Audit - Remote Sales	SAFFORD
BR508020000	BRENNAN	KIIMBERLY K.	STRAWBERRY REALTY	Audit - Remote Sales	STRAWBERRY
BR518080000	POWELL	MARIA J.	HELP-U-SELL GALLERIA REALTY	Audit - Remote Sales	TUCSON
BR521104000	PLASENCIA	SILVIA	DREAM HOME REALTY, LLC	Audit - Remote Sales	BUCKEYE
BR544356000	THEIS	JOHN P.	HOMELIFE AMBASSADOR REALTY	Audit - Remote Sales	PEORIA
BR024216000	SMITH	SHARON SHINN	STARR PASS REALTY, LLC	Audit - Remote Sales	TUCSON
BR515413000	SANDOVAL	LAZARO	CITICASA REALTY LLC	Audit - Remote Sales	PHOENIX
BR578194000	SALAS	EDSON	ES REALTY	Audit - Remote Sales	PHOENIX
BR552132000	MAWYER	DORY S. G.	MAWYER REALTY GROUP	Audit - Remote Sales	SCOTTSDALE
BR556578000	ABRAHAM	SAM W.	SAM W. ABRAHAM REALTY	Audit - Remote Sales	PHOENIX
BR531527000	ROSENBAUM	KRISTY K.	ARIZONA HOMES OF LAKE HAVAU CITY, LLC	Audit - Remote Sales	LAKE HAVASU CITY
BR043124000	CONTRERAS	ELIZABETH M.	SNOWFLAKE REAL ESTATE	Audit - Remote Sales	SNOWFLAKE
BR509178000	BACA	BRENDA L.	ARIZONA HOUSING SOLUTIONS, LLC	Audit - EBAR w/ Sales	MARANA
BR101967000	BRADLEY	KARI A.	KARI BRADLEY & ASSOCIATES, LLC	Audit - EBAR w/ Sales	FLORENCE
BR040876000	JONES	DORIS "SUE"	COPPER VIEW REALTY	Audit - EBAR w/ Sales	GREEN VALLEY
BR530745000	DONALDSON	REBECCA L.	K & R REALTY, LLC	Audit - EBAR w/ Sales	MESA
BR040645000	MCBRIDE	HOWARD	COLDWELL BANKER NORTHLAND	Audit - EBAR w/ Sales	FLAGSTAFF
BR115318000	BJOTVEDT	DOUGLAS W.	IMPERO PROPERTY MANAGEMENT	Audit - EBAR w/ Sales	CHANDLER