



# ARIZONA DEPARTMENT OF REAL ESTATE BULLETIN

Volume 2015 • Issue 3



Judy Lowe  
Commissioner

COMMISSIONER'S  
CORNER

T

E

A

M

## HAPPY NEW YEAR-FY16!

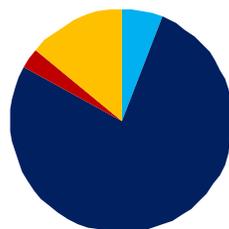
ADRE celebrates two Happy New Year's each year. One for the calendar year on January 1 and another for the Arizona state government fiscal year on July 1.

Summer and Fall are busy times at ADRE as we roll into FY16. Just a few of the projects being addressed are:

- **Governor's Rules Report** – To be submitted to Governor Ducey by Sept. 1, 2015. This report includes a review of the ADRE Commissioner's Rules as found in A.A.C. Title 4, Chapter 28. This report will not suggest the specific language for any amendments to the rules, it will only indicate whether a rule should be amended. We extend our thanks to the many stakeholders who gave input.
- **LEAN Management System** – Governor Ducey has challenged every State agency to participate in this project of developing an understanding of how to create and lead an agency from a pervasive culture of continual improvement of all processes and services that is not just driven by a few experts", but by everyone. The entire staff of ADRE is excited to participate in this program, and has already experienced some successes.
- **"Going Paperless"** – Digitizing and destroying/shredding 100,000+ Licensing Files, which should be completed by September '15, and continuing on to address the paper files of the other Dept. divisions. This is being done with the authority of the Arizona State Records Management.
- **ADRE 2016-2020 Strategic Plan** – Planning is already underway, with strategic goals to be stated and action steps to be developed. These goals will include even more focus on working with our industry partners to ensure an increased public awareness of the fundamental laws pertaining to real estate transactions in Arizona. The completed Strategic Plan will be posted to the ADRE website by January 1, 2016.
- **ADRE FY2017 Budget Funding Issues** – To be submitted by September 2015.

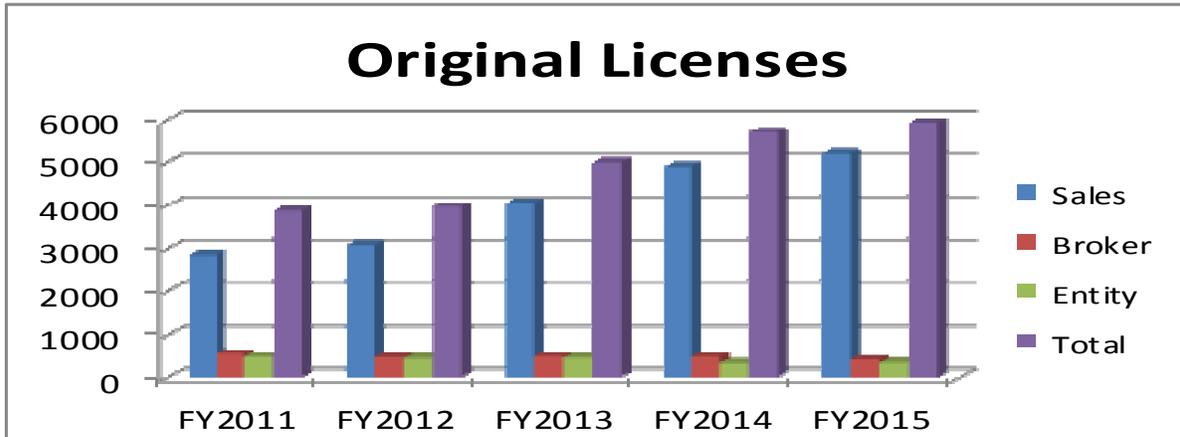
The ADRE completed its employee performance measure evaluation in June '15, in accordance with State Personnel Rules. In its review, there was a 10% increase in employees that "Meet Expectations", and a decrease of 6% in those that "need improvement".

### 2015 Staff Performance Ratings

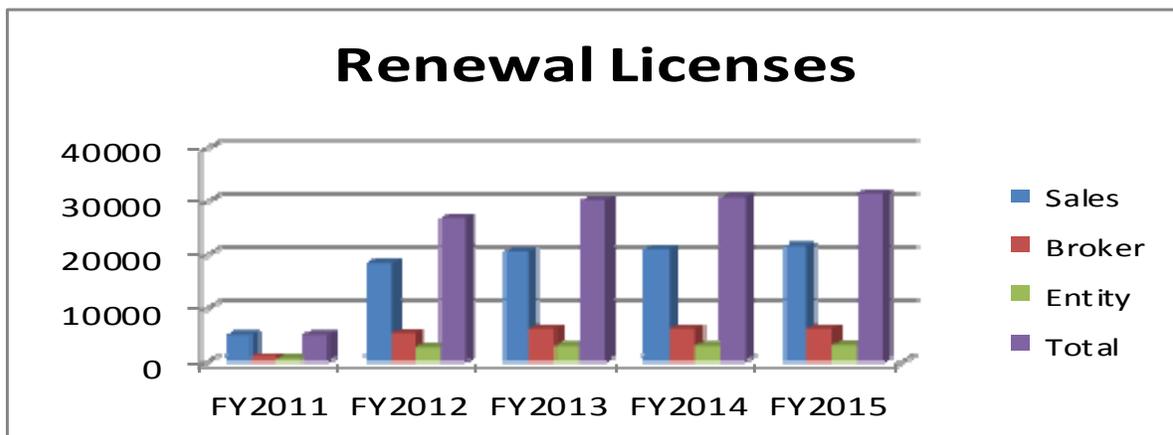


- Exceeds Expectations
- Meets Expectations
- Needs Improvement
- Not Eligible for Rating

During the month of July each year, the ADRE compiles and reviews the statistics of the immediate past fiscal year to compare with the prior years. These stats are an indication of a changing industry, as well as, how much has been accomplished by the ADRE TEAM. Please review the information below as it may pertain to your real estate business.



	2011	2012	2013	2014	2015
Sales	2,850	3,069	4,055	4,896	5,189
Broker	546	463	486	473	408
Entity	469	437	449	326	333
<b>Total</b>	<b>3,865</b>	<b>3,969</b>	<b>4,990</b>	<b>5,695</b>	<b>5,930</b>



	2011	2012	2013	2014	2015
Sales	5,158	18,406	20,460	20,938	21,528
Broker	1,058	5,406	6,212	6,235	6,259
Entity	502	2,859	3,187	3,151	3,234
<b>Total</b>	<b>5,158</b>	<b>26,959</b>	<b>30,150</b>	<b>30,665</b>	<b>31,417</b>

As I continue to lead this amazing ADRE TEAM, we will all look forward to working with our industry partners in “raising the bar” of Arizona’s real estate profession.

## COMMISSIONER'S CONNECTIONS

Commissioner Lowe visited the Tucson Association of REALTORS for a Commissioner Connection on August 3, 2105. Pictured to the right, Commissioner Lowe addressing the panel of speakers; Below Commissioner Lowe speaking with over 150 meeting attendees.



### Inside this Edition:

- **Commissioner interview with Arizona Federal Credit Union** P. 5
- **Do Not Call List** P. 7
- **Disclosure FAQs** P. 8
- **New Real Estate Advisory Board Member** P. 10
- **Legislative Update** P. 11
- **ADRE Development/Builder Services Division participation in LEAN Transformation** P. 12
- **Development/ Builder Services Learn & Lunch** P. 13
- **Self-Serve Kiosk for New License Applications** P. 14
- **How to find a Continuing Education Course** P. 16
- **Reconciling the Trust Account** P. 18
- **What's in a NAME** P. 18
- **Welcome New ADRE Employees** P. 27

## COMMISSIONER'S CONNECTIONS



On Saturday May 30, 2015 Commissioner Lowe had the honor of speaking at the Veteran's Housing Summit. Pictured above from left to right are Sherry Olnhausen, Bill Salvatore, Mark Poisson and Pat Diomede



Commissioner Lowe pictured above with members of the Green Valley/ Sahuarita Association of REALTORS. Left to Right— Linda Jehle, Jim Hoppens, Keith Bischoff, Lucky Pierson, Louise Riley and Terry Sanford.

On June 23, 2015 Commissioner Lowe visited with the Green Valley/ Sahuarita Association of Realtors and spoke during the MLS Meeting and the MLS Broker Forum.. **Below:** Commissioner Lowe speaking during the Forum.



**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 Lowe to speak to your group.

For scheduling a potential date, contact Sarah Dobbins, the ADRE Chief of Staff at [sdobbins@azre.gov](mailto:sdobbins@azre.gov)

# COMMISSIONER LOWE INTERVIEWED BY ARIZONA FEDERAL CREDIT UNION

## **The Phoenix Real Estate Market** ***Know The Facts Before Making The Big Leap*** ***By Sara Dennis, Arizona Federal Credit Union***

In 2008, the housing market crash ripped through Phoenix like a monsoon – leaving a flood of empty homes and devastated homeowners behind. Inflated housing prices, combined with other factors led to the largest economic recession since the Great Depression of the 1930s. Phoenix was far from immune to the effects of this crash, being one of the hardest hit cities in the country.

Fast forward to 2015, and our market is gradually returning to historic norms. Home prices have steadily risen over the past few years. The temperature of the real estate market has gone from boiling hot to ice cold and is warming up again.

What does this mean for you? How can consumers protect themselves in this market? What does the market look like now?

The team at Financially Empowered sought to answer these questions for you and sat down with Commissioner Judy Lowe, from the Arizona Department of Real Estate.

### **Where the market has been and where it's headed.**

Phoenix saw some of the highest increases in home prices during the housing bubble, with some home prices increasing at 50 percent a year at the height of the market. As a result of this unsupported growth, the housing market crash that started in the latter half of 2006 hit the Phoenix market with a wallop.

In fact, 70 percent of home resales in 2009 were from foreclosures, and in April 2011, there were 100,000 vacant homes from overbuilding and foreclosures. The story could have been much worse if investors weren't buying up houses in the Valley to build up their real estate portfolios. According to Commissioner Lowe, investors carried the market during the worst of the crash and came in from all over the world, including Canada, South Africa and Europe.

While one can argue the benefits and consequences of large numbers of investor-owned properties, the fact is that investors have started withdrawing from the market. "Investors no longer believe Phoenix is the market where you get a bargain on home prices," states Commissioner Lowe.

The Valley is starting to see a lot of first-time homebuyers entering the market again. Regardless of what the investors might think, Phoenix is still an affordable market, a place where you can find homes for under \$140,000. The midlevel and luxury markets are starting to crack open a bit and improve. This shows positive growth for the Phoenix real estate market.

Homeowners are also reluctant to put their houses on the market, wanting to stay put in their current homes. Some reasons for not selling are personal, others are financial. Some of the most common reasons people are not selling their homes include:

- A handful are underwater or just barely breaking even on their purchase price, because they purchased their home before the market crash.
- Some potential sellers are unwilling to trade their low mortgage payments for a newer or larger home, opting instead to remodel their home or live with any perceived shortfalls.
- Others are still wary of the market, afraid of moving and making the wrong decision, then ending up upside down on their mortgage.

Following the basic economic principal of supply and demand, the shortage in homes available (supply) and increase in buyers (demand) has caused housing prices in the Phoenix metro to begin creeping

upward beginning in early 2011, and home prices have continued to rise ever since. The shortage of supply is also being supplemented by new construction homes and communities popping up within empty spots in the Valley, and also in outlying cities and towns.

“We see the increase in new construction before the market does because the builders have to request the public reports from us when they are purchasing land or starting to develop it,” says Lowe. “In the past six months, we have seen three times as many public report applications than we saw three years ago.”

Home prices in Phoenix have been rising in 2015, with March home prices up 3.1 percent year over year. The growth trend is expected to continue through the end of the year. However, new legislation expected to take effect in August will cause the market to cool down just a bit, as it is intended to increase the amount of time it takes for a buyer to purchase a home by adding in a minimum time frame for buyers to review all closing documents. Currently, the first time many buyers see the pages and pages of closing documents is when they are signing them. Legislators argue that this is not enough time for a person to thoroughly review every line and understand every condition of the purchase of the home.

Commissioner Lowe believes buyers are rushing to purchase homes before this pending legislation takes hold.

Additionally, Federal Reserve Chair Janet Yellen has indicated that a rate hike is expected this fall. If a rate hike occurs, it would be the first time the Federal Reserve has raised rates from their near-zero position since the housing market crashed. While rates are still near historic lows, rising rates could dampen the market.

### **What does this all mean for you?**

Real estate transactions can be overwhelming and intimidating, even more so after many of us were negatively affected by the crash. If you are looking to get into the market as a buyer, seller or investor, it is important to take precautions and protect yourself. Here are three recommendations from Commissioner Lowe that you can do as a consumer:

First, pick the right real estate agent to work with. This is important because the agent will act as your fiduciary during your real estate transaction, and picking the wrong agent can have a negative effect on your entire real estate transaction. With 78,000 licensed agents to choose from, this can be a daunting task.

Start by interviewing and researching several different agents. While it is illegal to do so, many people still try to work as a real estate agent without the proper license. Ask the agent if they are licensed. Then, visit [azre.gov](http://azre.gov) and enter their name or license number. You can see if the license is still active, how long they've held the license, what brokers they have worked for, if there have been any complaints against them, and what continuing education courses they have completed.

“Consumers will be better represented if they're working with a licensee,” says Commissioner Lowe.

Be sure to Google your agent to find out more about their history online. When you are ready to move forward, most real estate agents have a presentation they will give to you, says Lowe. Make a list of what is important to you in this transaction and ask the real estate agent for their experience in those areas.

As to what characteristics make for the best relationship with a real estate agent, Commissioner Lowe says it is often dependent on the consumer. When looking for a real estate agent, she recommends you consider their education, experience, and ability to hold your hand as the buyer or seller. If you're a first-time home buyer, your real estate agent should have expertise in working with first-time buyers. Looking to work with a builder for your next home? Choose a real estate agent that has experience or has gone through training on the new construction real estate sector. Your real estate agent should also stay in touch with you throughout the process and communicate with you in the manner of your choosing (texting, email, phone calls, etc).

Second, whether you are buying a new construction home or a resale property, complete your due diligence. Research the neighborhood you are looking at, walk the neighborhood at different times of day and talk to neighbors. Make sure the home you are looking at purchasing is one you want to stay in for five years or more. Most experts agree this is the amount of time it takes for the average consumer to both recoup the upfront costs of purchasing a home and come out of the home sale with a profit.

## ARIZONA FEDERAL CREDIT UNION INTERVIEW CONT....

Have your real estate agent pull comparable home sales in the neighborhood before making an offer. This will give you an idea of what homes in the neighborhood are selling for. “They can also pull the old public report so the buyer can see if everything that was supposed to be developed in the neighborhood was actually developed,” states Commissioner Lowe. They can also help you check crime rates in the neighborhood, educational ranks, and recorded history on the property.

Once you’re under contract, have a home inspection and an appraisal. The appraisal gives you and the lender the value of the house that the current market will support. This value gives the lender a safe gauge on how much they can lend, and recoup, if you were to walk away.

The home inspection will give you an idea of any damage or hazards on the property that could be a problem down the road. If it’s not something you are willing to pay for out-of-pocket and it’s important to be fixed, you can ask the seller to make the update.

“Don’t be afraid to ask for repairs if they need to be done,” advises Commissioner Lowe. “Sometimes buyers won’t ask for repairs but will come in at a lower price to compensate for the difference.”

Third, make sure you are receiving copies of all signed documents. Real estate agents can get caught up in the transaction and forget to send you copies. Once you have them, make sure you protect those copies and keep them on hand. You never know when you’ll need to reference them again, even 10 or 20 years down the road.

With the real estate market showing consistent, positive growth, it could be the right time for you to purchase a home and sell your current place. If you had a property foreclosed on during the crisis, keep an eye on your credit. The first round of foreclosed consumers should be eligible to enter the real estate market soon, as their credit score improves and the foreclosures no longer have a negative effect on their ability to borrow.

Article originally published by Arizona Federal Credit Union in *Financially Empowered Magazine*  
[www.ArizonaFederal.org](http://www.ArizonaFederal.org)

## BEFORE CALLING ON AN EXPIRED LISTING, CHECK THE “DO NOT CALL LIST”

**Remember, there are Federal Laws around soliciting/calling individuals you do not have a relationship with.**

When ADRE receives a call from a very “angry seller”, who has been cold-called by a real estate licensee wanting to set an appointment to make a listing presentation on an expired listing.... What does the ADRE Customer Service Rep say? The “angry seller” is reminded to register on the Federal Trade Commission “National Do Not Call Registry” at [www.donotcall.gov](http://www.donotcall.gov).



The website gives explicit instructions on how to file a complaint against a caller who may be in violation of the “Do Not Call” guidelines.

# KNOW YOUR LIMIT!

## DUI PENALTIES

You can be arrested for DUI if you are *impaired to the slightest degree.*

These are the minimum standard penalties. Other potential costs are attorney's fees, increased auto insurance, refusal of admission to college, loss of employment, and inability to obtain employment.

### DUI [BAC .08]

- \$3,200 in Fines & Fees\*
- 10 days in jail
- 90 days suspended license
- Ignition Interlock for 12

### Extreme DUI [BAC .15 — .19]

- \$6,000 in Fines & Fees\*
- 30 days in jail
- 90 days suspended license
- Ignition Interlock for 12

### Super Extreme DUI [BAC .20+]

- \$8,300 in Fines & Fees\*
- 45 days in jail
- 90 days suspended license
- Ignition Interlock for 18 months

\*Includes additional surcharges added to Fines & Fees



**Drive Hammered... Get Nailed!**  
**Get a DD... Not a DUI!**

# KNOW YOUR LIMIT!

## What is a "Standard Drink"?

A standard drink is any drink that contains about .48 oz of pure alcohol. For example, 1 Long Island Iced Tea contains approximately 4 standard drinks of alcohol.



12 oz Beer

4 oz Wine

1.25 oz Shot

Common Drinks	Standard Drinks	Max BAC	Time to Burnoff
Beer (12 oz)	1	0.03%	2 hrs
Wine (8 oz)	2	0.06%	4 hrs
Margarita	2	0.06%	4 hrs
Martini	3	0.09%	6 hrs
Rum & Coke	3	0.09%	6 hrs
Long Island Iced Tea	4	0.12%	8 hrs



**Drive Hammered... Get Nailed!**  
**Get a DD... Not a DUI!**

This notice has been provided compliments of the Governor's Office of Highway Safety.

### REAL ESTATE LICENSEES

**REMEMBER - R4-28-303D states:** A salesperson or broker shall notify the Department in writing within 10 days of any change in the individual's personal information or qualifications. The salesperson or broker shall include in the notice the individual's name, signature, license number, and:

1. If disclosing information required under R4-28-301, such as a criminal conviction, adverse judgment, denial or restriction of or disciplinary action against a professional or occupational license, or recovery fund payment on the person's behalf, a written statement providing detailed information and, upon request by the Department, the supporting documentation identified in R4-28-301(A)(2);

# REAL ESTATE LICENSEE DISCLOSURE FAQ'S

Visit our website [www.azre.gov](http://www.azre.gov) under Licensing FAQs/ Disclosures

**What if I have been convicted of a misdemeanor, felony or have an adverse judgement or disciplinary action?** A written disclosure of a criminal conviction, or an adverse judgment or disciplinary action against a professional license must be submitted to the Department in writing within 10 business days of the conviction, with required documentation (download and review the [Disciplinary Actions Disclosure \(LI-214/LI-244\)](#) and the [Disclosure Document Checklist \(LI-400\)](#)). Arrests need not be reported.

**I was cited last week for DUI; do I need to disclose this incident?** No disclosure is required at the time of arrest. Written notice is required within 10 days of the sentencing/conviction. Even if you notify the ADRE at time of arrest, ADRE will not consider this a disclosure until a written notice is delivered within the 10 day time frame.

**When do I make my disclosure?** In accordance with the Commissioner's Rule R4-28-303(D) "*a sales person or broker shall notify the Department in writing within 10 days of any changes in the individual's personal information or qualifications.*"

**How do I make the initial disclosure?** You are required under the Commissioner's Rule R4-28-303(D)(1) to submit a written statement within ten days. The statement must include but not limited to details surrounding the events leading to the conviction such as arresting agency, date of incident, what court you attended, date of sentencing, outcome such as final plea, date of plea and sentencing.

**After making my initial written disclosure to ADRE, what is the next step?** A disclosure package will be sent by ADRE via certified mail. The package will include a letter with detailed time frames in which documents must be turned in. The package also includes an LI-400, which can also be downloaded from the forms area of our web site at: [www.AZRE.gov](http://www.AZRE.gov). As a courtesy, you will be sent a DPS Fingerprint Clearance Card application. For further information on obtaining a new Fingerprint Clearance Card, contact DPS directly.

**I have some of the documents in order for the LI-400; can I submit them now and the rest at a later time?** No, all documents must be complete with the LI-400 and submitted as a complete package. Incomplete submittals will be returned unprocessed.

**What if I need more time to complete the disclosure requirements?** Required documents are expected to be submitted to ADRE prior to the required deadline dates. A one-time ten day extension may be granted by contacting the ADRE disclosure specialist.

**What is a certified court document?** A certified copy is a copy (often a photocopy) of a primary document that has an endorsement or certificate that this is a true copy of the primary document. It is usually affixed with a raised seal or stamp. When certified copies are stapled, **DO NOT REMOVE THE STAPLES**, it nullifies the certification and a new set will be required.

**If I have documents from the court that were given to me at the time of conviction, can I submit them?** Only if they are certified copies of the court records.

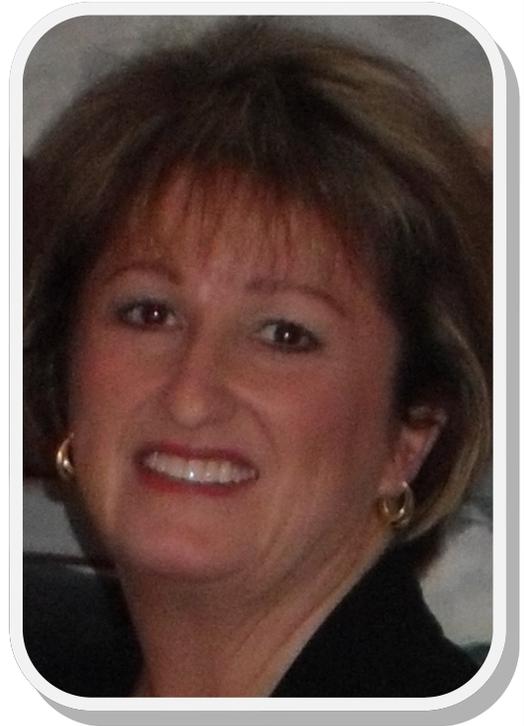
**What documents do I ask for when contacting the court?** Each court system is different and has different forms. What ADRE is interested in and considers when reviewing, are the details of the conviction and sentencing, such as dates the sentencing was given and what fines, jail time, community service etc.

**I was convicted eight months ago and did not know I needed to disclose, can I have my case expedited?** This is considered a "late disclosure". Notify the Department in writing as soon as possible so that the Disclosure process can begin. A Fingerprint Clearance Card may be required. It does take some time and the entire required process must take place. The Department does handle all cases in an "as received" priority. The Department is held to an administrative standard to treat all cases equally. A "Late Disclosure" is subject to disciplinary action by the Department.

## Governor Ducey Appoints New Real Estate Advisory Board Member

Karen Bohler was appointed to the Real Estate Advisory Board by Governor Douglas Ducey in July of 2015, as the Residential Real Estate representative. Karen's real estate sales career began in 1992 in Utah where she was a top-producing real estate salesperson. In 1996, Karen moved her family to Lake Havasu City; and in 2001, she started The Bohler Institute for Continuing Education. Karen became an active Arizona real estate broker in May of 2005, and (at the time of this writing) the Bohler Institute has just celebrated its 14<sup>th</sup> anniversary of being an ADRE-certified Real Estate School.

In 2012, Karen earned her Law Degree from The Bernard E. Witkin School of Law in Santa Ana California; and has used her education to write and publish real estate educational material that is used in real estate schools throughout Arizona, California, West Virginia, and Nevada. Karen is a mentor and advisor to new agents in Lake Havasu City, as well as a well-respected trainer and sought-after public speaker. In addition, Karen participates in the Lake Havasu City Association of REALTORS®; and will chair the 2016 Professional Development and Education Committee.



Karen brings a wealth of intellect and practical knowledge to the Real Estate Advisory Board. As a school owner, real estate instructor, active real estate broker, legal expert, and dynamic speaker and communicator, Karen is uniquely qualified to serve.

## ADVISORY BOARD MEETING

**The next Real Estate Advisory Board meeting will be August 12, 2015, in the Commissioner's Conference Room at the Arizona Department of Real Estate, 2910 N. 44th Street, Phoenix, Arizona 85018. All members of the public are welcome to attend.**



### ADDITIONAL BUSINESS LICENSE PROHIBITION LAW DOES IT APPLY TO PROPERTY MANAGERS?

Legislation became effective on July 3<sup>rd</sup> ([SB 1368 Chapter 189](#)) that prohibits municipalities from requiring a licensed real estate broker or salesperson to obtain an additional business license to do business within that municipality if the person is licensed to do business within the municipality in which the person's primary place of business is located.

**Question:** Does this new law apply to businesses that conduct property management?

**Answer: YES.** Individuals that conduct property management are required to have an Arizona Real Estate license therefore this law applies. Additional business licenses should not be required for property managers if they have an Arizona Real Estate license and have a business license in the municipality in their primary business location.

There may be confusion in the industry and within municipalities on differentiating between property management and community management. There are no state license requirements for community managers and community management companies. Municipal code and the Model City Tax Code provide guidance on defining property management activities, but it does not apply the same in the real estate industry. Lack of a real estate property management/ manager definition in state statute has added misunderstanding for home owners and practitioners in the industry.

If you have questions regarding business licensing please contact the Arizona Department of Revenue.



# LEAN TRANSFORMATION AT ADRE

## ADRE DEVELOPMENT/BUILDER SERVICES DIVISION CONTINUES ITS PARTICIPATION IN LEAN TRANSFORMATION

**PUBLIC REPORT AMENDMENT APPLICATIONS can be Processed at the “Speed of Business”**  
ADRE is pleased to announce that the Public Report Amendment Application process has been selected to participate in the LEAN Transformation second Permit Blitz project, as part of Governor’s Ducey’s goals for state agencies to reduce services and processing time by 50% . The ADRE Development/BuilderServices Team, along with a seasoned coach, has participated and is currently in the pilot phase. As a result, ADRE will be capable of processing the applications in less time.

ADRE appreciates the participation and feedback during the Permit Blitz of five representatives from the subdivision and/or timeshare development industry, including: Steve Gronck of SAGronck Enterprising LLC, doing business as DISC; Rachel Turnipseed and Diane Sloane of Title Security Agency LLC; and, Erika Olsen Kap and Lindsey Parker of Ballard Spahr LLP.

**Those parties filing the Public Report Amendment Applications can help in the process by:**

- Referencing the application type on the “addressed to” section of the envelope (label) to ADRE as follows:

Arizona Department of Real Estate  
Development Services Division  
**RE: AMENDMENT APPLICATION**  
2910 N. 44<sup>th</sup> Street, Suite 100  
Phoenix, Arizona 85018



ADRE LEAN 2 Permit Blitz Team from left to right:  
Rose Frazee, Carla Randolph, Gloria Ortiz and  
Coach Pam Nicola.

**\*\*\* Submitting the entire Application, with all required documents, in one Package. This will prevent the package being returned as “deficient”.**

*Thank you for all you do for the  
Development Industry in Arizona!!*

# WHAT'S HAPPENING AT ADRE?



## DEVELOPMENT INDUSTRY LEARN & LUNCH

The second Learn and Lunch (L&L) with ADRE's Development/Builder Services Division and the Development / Builder Industry was a success. There was positive dialogue amongst the participants, which included approximately 35 industry representatives.

At this event the Arizona Department of Water Resources (ADWR) was represented by Richard Obenshain, Interim Manager, Water Planning Division and Kym Luttermoser who provided an overview and a pertinent ADWR website search demonstration, as well as a Q&A session.

ADRE provided a summary of the legislative overview for 2015.



ADRE would like to give special thanks to Fidelity National Title Agency for sponsoring the delicious meal!

*The next L&L event is scheduled for September 17, 2015. Representatives from the development industry are welcome to attend; due to limited seating and to receive a detailed invitation, please pre-register through the ADRE Message Center on the home page at [www.azre.gov](http://www.azre.gov)*

## Staff Training and Quarterly Employee Meetings



**ADRE Employees continue to participate in monthly staff training seminars and quarterly employee celebrations.**

In June, the staff received training from the Attorney General's Office on 'The Life of a Case' and in July, Scott Kurish, with the Government Transformation Office, provided the entire ADRE staff with an overview of the LEAN Program. Upcoming training topics will include: Changes to the DPS Fingerprint Clearance Card process, Mortgage Fraud Taskforce and 'How a Large Brokerage Works'.

**Above:** ADRE Staff hearing an update from Commissioner Lowe at a Quarterly Staff meeting.

# LICENSING UPDATE

## NEW LICENSE APPLICANTS USING ADRE SELF-SERVE KIOSK!

Recognizing a demand to more efficiently serve the new real estate license applicants ADRE created the Online Original License Application process in 2013. Since the inception, ADRE has continually encouraged the real estate schools to encourage their students to apply for their real estate license online, saving time, postage, gas, etc. As of June 2015, 88% of new license applicants have done just that. NOW, ADRE offers a self-service kiosk station at its Licensing Division Front Counter as the “only walk-in option” for simple new license applications. This kiosk station is equipped with, a computer with special programming, a scanner and basic instructions.



After the scanned application is immediately reviewed and approved by ADRE staff, the kiosk based license applicant receives an online payment request. Our Licensing Team is on stand-by to review and approve all online applications Monday through Friday from 8:00 a.m. to 5:00 p.m., except for State holidays. The entire online process can take as little as 15 minutes.

Of course, this process can be done from anywhere with a computer, scanner and Internet access, even at some real estate schools, and brokerage offices. What a difference Technology makes!!

ADRE’s goal is to serve 100% of the Original license applicants on line by January 1, 2016, allowing the ADRE Licensing staff to focus on all other application types and services.

**Note:** Complex Applications with a disclosure, pending ADRE matter or prior license record must submit their application to ADRE in person or by mail.

# LICENSING STATS

## Arizona Department of Real Estate Licensed Individuals & Entities August 3, 2015

	Active	Inactive	Total Current	In Grace Period	Current + Grace Period
<b>Individuals</b>					
Broker	12,207	1,040	13,247	645	13,892
Salesperson	39,819	11,868	51,687	4,042	55,729
<b>Total Individuals</b>	<b>52,026</b>	<b>12,908</b>	<b>64,934</b>	<b>4,687</b>	<b>69,621</b>
<b>Last month</b>	<b>51,617</b>	<b>12,626</b>	<b>64,243</b>	<b>4,881</b>	<b>69,124</b>
<b>% change from last month</b>	<b>0.79%</b>	<b>2.23%</b>	<b>1.08%</b>	<b>-3.97%</b>	<b>0.72%</b>
<b>Same month last year</b>	<b>50,272</b>	<b>12,591</b>	<b>62,863</b>	<b>6,344</b>	<b>69,207</b>
<b>% change from last year</b>	<b>3.49%</b>	<b>2.52%</b>	<b>3.29%</b>	<b>-26.12%</b>	<b>0.60%</b>
<b>Entities</b>					
Branch, corp	196	63	259	39	298
Branch, liability	328	101	429	74	503
Branch, Partnership	2	2	4		4
Branch, Self-Employed	25	6	31	5	36
Corporation	1,576	83	1,659	145	1,804
Limited Liability	3,235	221	3,456	260	3,716
Partnership	36	2	38	2	40
Self-Employed Broker	2,272	57	2,329	228	2,557
<b>Total Entities</b>	<b>7,670</b>	<b>535</b>	<b>8,205</b>	<b>753</b>	<b>8,958</b>
<b>Last month</b>	<b>7,662</b>	<b>489</b>	<b>8,151</b>	<b>763</b>	<b>8,914</b>
<b>% change from last month</b>	<b>0.10%</b>	<b>9.41%</b>	<b>0.66%</b>	<b>-1.31%</b>	<b>0.49%</b>
<b>Same month last year</b>	<b>7,814</b>	<b>526</b>	<b>8,340</b>	<b>553</b>	<b>8,893</b>
<b>% change from last year</b>	<b>-1.84%</b>	<b>1.71%</b>	<b>-1.62%</b>	<b>36.17%</b>	<b>0.73%</b>
<b>Individuals &amp; Entities</b>					
<b>Total - this month</b>	<b>59,696</b>	<b>13,443</b>	<b>73,139</b>	<b>5,440</b>	<b>78,579</b>
<b>Total - previous month</b>	<b>59,279</b>	<b>13,115</b>	<b>72,394</b>	<b>5,644</b>	<b>78,038</b>
<b>% change from last month</b>	<b>0.7%</b>	<b>2.5%</b>	<b>1.0%</b>	<b>-3.6%</b>	<b>0.7%</b>
<b>Total - this month</b>	<b>59,696</b>	<b>13,443</b>	<b>73,139</b>	<b>5,440</b>	<b>78,579</b>
<b>Total - same month last year</b>	<b>58,086</b>	<b>13,117</b>	<b>71,203</b>	<b>6,897</b>	<b>78,100</b>
<b>% change from last year</b>	<b>2.8%</b>	<b>2.5%</b>	<b>2.7%</b>	<b>-21.1%</b>	<b>0.6%</b>

X:\Accounting\STATSWEB\LICENSING\STATS\licensee count - Complex\REV\_1116 ADRE License Stat

# EDUCATION-INFORMATIONAL ALERT

## HOW TO FIND CONTINUING EDUCATION (CE) COURSES

ADRE has made it easy to find scheduled CE courses.

- Visit [www.azre.gov](http://www.azre.gov)
- Click on the blue icon “Search for Continuing ED”
- Search by school name; course name; category; subject; or any combination of the available fields; or follow the instructions for a more specific search; or, if all else fails
- Use the “HELP MENU”



Be sure to add the new icon link to your favorites for quick reference and then contact the school to check availability and/or register for the CE event you wish to attend.

<http://services.azre.gov/publicdatabase/SearchScheduledCourses.aspx>

## EDUCATION UPDATE

### EDUCATION FACTS!

Average Passing Percentages for "First Time Exam Takers"			
EXAM TYPE	May-2015	Jun-2015	Jul-2015
REAL ESTATE BROKER	68%	68%	63%
REAL ESTATE SALESPERSON	64%	63%	59%
CEMETERY BROKER	N/A	50%	0%
CEMETERY SALESPERSON	33%	80%	100%
MEMBERSHIP CAMPING BROKER	N/A	N/A	N/A
MEMBERSHIP CAMPING SALES- PERSON	N/A	N/A	N/A
Total Number of Licensees (Individual and Entity) as of July 22, 2015			
78,453			
Active Continuing Education (CE) Courses as of July 22, 2015			
Live CE (Approximately)	2300		
Distance Learning CE (Approximately)	296		
ADRE Licensee Online CE Course Submissions April 30, 2015 through July 21, 2015			
Total courses entered	44597		
Distance Learning	24212		
Percentages Distance Learning	54		

## Are You Subject To An Audit?

### “I ONLY MANAGE WHAT I OWN.”

An Auditor contacts a Broker to schedule an Audit and the Broker responds, “*I Only Manage What I Own.*” The Broker believes he is exempt from the Audit process, but, is he? No, all Brokers are subject to an Audit by the Department’s Auditing staff. The scope of the Audit is determined by the licensed real estate activities that are performed on behalf of the Employing Broker.

A “Real Estate Broker” is defined in A.R.S. § 32-2101(47) as “a person, other than a salesperson, who, for another and for compensation” performs real estate activities listed in (a) through (p) of the statute.

A “Person” is defined in A.R.S. § 32-2101(44), in part, as “any individual, corporation, partnership or company ...”

John Smythe is the Designated Broker for the XYZ Corporation, a licensed brokerage. Mr. Symthe is the sole member of the registered corporation. XYZ Corporation manages five properties, a combination of commercial and residential rental properties. The registered owners of the properties are as follows:

<u>Property</u>	<u>Registered Owner</u>
Fairhaven Market Place	Fairhaven Market, LLC
Glenwood Commercial Complex	XYZ Corporation
123 Happy Valley Rd.	123 Happy Valley, LLC
456 George Blvd.	Bright Eyes, Inc.
789 Enoch Road	789 Enoch, LLC

Using the definitions above, does John Smythe and/or the XYZ Corporation own any of the listed properties?

*Answer: The XYZ Corporation is the registered owner of only the Glenwood Commercial Complex. The Employing Broker, XYZ Corporation, is managing a property the corporation owns; therefore, in the case of the Glenwood Commercial Complex, XYZ Corporation is managing what it owns.*

John Smythe is a member of Fairhaven Market, LLC, 123 Happy Valley, LLC, Bright Eyes, Inc. and 789 Enoch, LLC, which individually own properties being managed by XYZ Corporation. Aren’t these properties also being “self-managed.”

*Answer: NO, the XYZ Corporation is managing properties on behalf of “another,” specifically separate entities registered with the Arizona Corporation Commission.*

For more information on ADRE’s audit process please visit the website [www.azre.gov](http://www.azre.gov)

## Reconciling The Trust Account



### “There’s Money in the Bank. How Can My Trust Account be Deficient?”

The Department’s Auditing staff has unfortunately heard these very words from Property Management Brokers. The statement can be an indicator of a basic lack of understanding of trust accounting on the part of the Broker.

A.R.S. § 32-2151(B)(2) requires a Broker to “maintain a trust fund account bank reconciliation and client ledger balance on a monthly basis ... .”

The bank reconciliation and client ledger balance are used to perform a monthly 3-Way Trust Account Reconciliation. A 3-Way Reconciliation compares the adjusted bank balance (*bank statement balance less outstanding checks/withdrawals plus outstanding deposits*) to the client (owner/tenant) ledger balances in order to determine if the trust account(s) hold sufficient funds to meet the Broker’s client liabilities.

When the Auditing staff conducts an Audit of a Property Management Broker, the Auditor performs an independent, 3-Way Trust Account Reconciliation of the Broker’s Trust Account(s). An Audit finding of a deficiency (shortage) indicates the adjusted trust account bank balance is not sufficient to meet the client liabilities.

As an example:

Adjusted Bank Balance	\$1,000.00
Less Client Ledger Balance	\$2,000.00
Equals a Deficiency of	\$1,000.00

Visit the [www.azre.gov](http://www.azre.gov) Home Page for:

- Audit Package Sample [Click Here](#)
- Trust Account Reconciliation Process [Click Here](#)
- Trust Account Reconciliation Form [Click Here](#)

## What’s In A Name

### What is a ‘Broker in Name Only’?

The Commissioner’s Rule, R4-28-302(J) states, “A broker shall not employ a salesperson or associate broker and allow the salesperson or associate broker to establish and carry on a brokerage business if the broker’s only interest is the receipt of a fee for the use of the license and the broker does not exercise supervision over the salesperson or associate broker.”

Stated a different way, a salesperson or associate broker (“Licensed Owner”) or an unlicensed person may not form a brokerage business and hire a designated broker to act as a figurehead while the licensed or unlicensed owner maintains complete control over all activities of the brokerage and its employees. A designated broker is responsible for all real estate activities conducted on behalf of the brokerage.

Under the Department’s statutes and rules, all designated brokers are required to exercise reasonable supervision over the activities of salespersons, associate brokers or others under the broker’s employ, as well as the activities of the brokerage. A designated broker’s failure to provide such supervision is a violation of A.R.S. § 32-2153(A)(21).

If the Licensed or unlicensed owner violates the Department’s statutes or rules, such as commingling or converting the Broker Trust Account funds to pay for the licensed or unlicensed owner’s personal and/or business expenses, both the licensed brokerage owner and the designated broker are held accountable and may face disciplinary action, including loss of license.



# ***BROKERS IN SUBSTANTIVE COMPLIANCE***

## **Audit Honor Roll– April through June 2015**

### ABBREVIATIONS USED IN SUBSTANTIVE COMPLIANCE

EBAR -= Electronic Broker Audit Review

Lic. No.	Broker Name	Employing Broker	Type
BR013137000	Aguirre, Henry "Rick" H.	Arizona Homes Realty, LLC	Onsite
BR116884000	Anderson, Scott R.	Anderson Commercial Properties, Inc.	Onsite
BR563672000	Austin-Fleck, Susan L.	Austin Fleck Property Management	Onsite
BR533661000	Belyan, Mark M.	Proactive Property Management	Onsite
BR009158000	Bonnell, Donald "Don" R.	Realty Executives Northern Arizona	Onsite
BR007142000	Borg, Bret C.	Borg Property Services	Onsite
BR633789000	Conti, Victor J.	Golden View Realty	Onsite
BR005306000	Cutler, Clifford J.	Cutler Commercial	Onsite
BR009381000	Dahlin, John R.	Colliers International Real Estate Management Services (AZ), LLC	Onsite
BR005183000	Eisenberg, Craig F.	Eisenberg Company	Onsite
BR573065000	Evans, Mark J.	Mark J. Evans	Onsite
BR115531000	Faith, Joan "Joanie"	Faith Real Estate and Investments	Onsite
BR534936000	Farlow, Mark "Buzz" E.	Pioneer Properties & Inv., Inc.	Onsite
BR543909000	Flake, Leslie L.	Pinnacle Property Group, LLC	Onsite
BR517548000	Frestedt, Pamela	Realty Excellence Group	Onsite
BR516900000	Golba, Kenneth B.	The Golba Group	Onsite
BR044609000	Golba, Scott J.	Sun and Golf Destinations, LLC	Onsite
BR569930000	Goodman, Christopher "Chris"	Brewer & Stratton Property Management, LLC	Onsite
BR518755000	Grimm, Stephen F. II	Grimm Commercial, LLC	Onsite
BR107818000	Hallman, Jovita "Jaye" H.	Venture Real Estate & Consulting	Onsite
BR005186000	Hammond, Michael S.	Cushman & Wakefield / Picor	Onsite
BR004549000	Hearon, Duff C.	Ashland Brokerage	Onsite
BR006536000	Hershey, Sandra	Red Brick Realty, LLC	Onsite
BR047253000	Holloway, Steven R.	Earth Quest Real Estate and Investments	Onsite
BR517865000	Jones, Robert E.	Invitation Homes	Onsite
BR007448000	Kastella, Lynn L.	Long Realty Commercial Management	Onsite
BR007317000	King, Constance K.	Desert Sky Properties, Inc.	Onsite
BR034735000	Kocis, Edward "Buddy" J. Jr.	Camwest Group, Inc.	Onsite

# ***BROKERS IN SUBSTANTIVE COMPLIANCE*** **AUDIT HONOR ROLL continued**

## ABBREVIATIONS USED IN SUBSTANTIVE COMPLIANCE

EBAR -= Electronic Broker Audit Review

Lic. No.	Broker Name	Employing Broker	Type
BR507716000	Krugen, Merri D.	MDK Real Estate	Onsite
BR010900000	Lamberson, Raymond H.	Liberty Realty	Onsite
BR509682000	Landon, Jeffrey R.	Landon Management Services	Onsite
BR104928000	Lapine, Amy L.	Paramount Property Services, LLC	Onsite
BR012787000	Little, Paul E.	A P L Properties, LLC	Onsite
BR632265000	Marino, Peter "Pete" W.	HomeSmart Success	Onsite
BR514672000	Martinelli, Thomas "Tommy" L.	Thomas L. Martinelli Realty and Property Mgt.	Onsite
BR557281000	Martini, Dean M.	Lexus Property Management, LLC	Onsite
BR005357000	Morrison, Melanie M.	MEB Management Services	Onsite
BR520644000	Pedersen, Gary R.	Phoenix Commercial Properties, LLC	Onsite
BR531736000	Pound, Preti	Pound Realty, LLC	Onsite
BR102013000	Quenneville, Gary R.	US Preferred Realty	Onsite
BR021876000	Ryan, Kenneth E.	Ross, Ryan & Neal, Inc.	Onsite
BR582406000	Suleman, Rosmin "Rosy"	Hirani Oil Arizona, LLC	Onsite
BR565748000	Ungureanu, Camelia	Amerinvest Realty & Property Management	Onsite
BR008999000	Wilson, Michael D.	Wilson Property Services, Inc.	Onsite

## DISCIPLINARY ACTIONS

### ABBREVIATIONS USED IN DISCIPLINARY ACTIONS

CP = Civil Penalty

CE = Continuing Ed

PL = Provisional License

J&S = Joint &  
Severally

PM = Practice Monitor

BA = Broker  
Acknowledgement

Name	License Number	Brokerage at time of violation	Location	Summary	Order
A.N.C. Properties LLC	LC646445000	same	Bullhead City	Failure to maintain records, failure to provide records to the Department, failure to reconcile trust accounts, trust account shortage.	Revocation Of License.

## DISCIPLINARY ACTIONS CONTINUED

Name	License Number	Brokerage at time of Violation	Location	Summary	Order
<a href="http://Arizonavacationrentals.com">Arizonavacationrentals.com</a> <a href="#">LLC</a>	unlicensed		Phoenix	Unlicensed property management activity	Cease and Desist Order Issued
Aspito, Donald	BR552766000	Inactive	California	Failure to timely disclose a 2013 conviction for DUI.	ASA: \$750.00 CP
Ayres, Joann	BR046219000	Century 21 Desert Estates Realty	Phoenix	Property management journals & ledgers not in balance, failure to reconcile accounts, trust account shortage.	Consent Order: \$3,000.00 CP; 2 year PL; \$30,000.00 Surety Bond, monthly statements to the Department, 12 hours CE.
Baldwin, Heidi	BR535497000	Russ Lyon LLC	Scottsdale	Received compensation from other than the employing broker.	ASA \$1,000.00 CP.
Banning, Roger	SA537399000	none	Scottsdale	Failed to timely disclose 2014 conviction for Criminal Trespassing of the 3rd degree with prior conviction for DUI.	Consent Order: \$750.00 CP, 2 year PL with a practice monitor, quarterly statement to the Department, 12 hrs CE.
Braunger, Steven	SA539005000	American Realty Brokers	Phoenix	Failure to disclose a 2012 conviction for DUI.	Consent Order: \$1,000.00 CP, 2 year PL with practice monitor, quarterly reports to the Department.
Brown, Jennifer	BR526765000	J.J. Brown & Associates	Tucson	Failure to disclose a material fact.	Consent Order: 30 day suspended license; \$2000.00 CP, 2 year PL, quarterly reports to the Department, 12 hrs CE.
Cann, Brenda	BR531980000	Vistoso Vacation Rentals LLC	Oro Valley	Failure to produce records during a Department audit, failure to maintain required records, trust account shortage, refused or failed to comply with a lawful order from the Department.	Cease and Desist Order issued.

## DISCIPLINARY ACTIONS CONTINUED

Name	License Number	Brokerage at time of violation	Location	Summary	Order
Carmona, Carlos	SA544421000	Castro Real Estate Services	Tucson	Unlicensed activity.	ASA: \$400.00 CP.
Carrier, Earl	BR046531000	R. J. Diamonds LLC dba Desert Vista Sales & Rentals	Surprise	Audit violations; trust account shortage; failure to maintain required documents; commingling and/or converted client trust monies; conducted real estate activity through an unlicensed entity.	Commissioner's Final Order: License Revoked.
Castro, Ignacio	BR532278000	Castro Real Estate Services	Tucson	Failure to supervise resulting in unlicensed activity.	ASA: \$400.00 CP
Clement, Edward	SA648629000	Candidate	Phoenix	Prior convictions, reckless driving and DUI.	Consent Order: 2 year PL, practice monitor, quarterly reports to the Department.
Desmond, Raymond	S11-0006	Nova School of Real Estate	Tucson	Failure to timely disclose a 2014 Consent Order from another agency.	ASA: \$750.00 CP
Dobson, Arron	SA653782000	Candidate	Scottsdale	Multiple prior convictions.	Commissioner's Final Order: License Denied.
Fiechtner, Mark	SA631343000	Call Realty	Gilbert	Failed to timely disclose a 2014 Consent Order with another agency.	ASA \$750.00 CP
Fischer, Anthony	SA640119000	Realty One Group	Scottsdale	Failed to timely disclose a 2013 conviction for consumption of liquor while riding in a vehicle.	ASA \$750.00 CP.
Fromstein, Justin	BR558339000	Inactive	Chandler	Failure to timely disclose 2011 convictions for reckless driving and failure to obey a police officer.	Consent Order: \$1,500 CP, 2 year PL, quarterly reports to the Department, 12 hours CE.
Furrey, Norman	BR110766000	Norman Furrey	Show Low	Claiming CE credit for classes taught without prior approval from the Department.	Consent Order: Must take class for which credit was claimed.

## DISCIPLINARY ACTIONS CONTINUED

Name	License Number	Brokerage at time of violation	Location	Summary	Order
Gordon, Jay	BR011787000	Gordon Realty Services Inc.	Chandler	Trust account violations; not properly titled, trust account shortage, ledgers not in balance, commingled funds failure to maintain PMTA bank reconciliations.	Consent Order: \$3000.00 CP, 2 year PL with a practice monitor, quarterly statement to the Department, 12 hrs CE.
Hickle, Mark	SA554630000	The Diplomats LLC	Tucson	Failure to timely disclose a disciplinary action by another agency.	Consent Order: \$1,000.00 CP, 2 year PL with practice monitor, quarterly reports to the Department, 12 hours CE.
Horizon Property Management LLC	BR545031000	Same	Tucson	Failure to produce records during a Department audit, failure to maintain required records, trust account shortage, commingled funds.	Cease and Desist Order issued.
Houck, Veronica	SA517396000	R. J. Diamonds LLC dba Desert Vista Sales & Rentals	Surprise	Audit violations; trust account shortage; failure to maintain required documents; commingling and/or converted client trust monies; conducted real estate activity through an unlicensed entity.	Commissioner's Final Order: License Revoked.
Johnson, Irvin	BR109259000	Irvin M. Johnson	Glendale		License Surrendered.
King, Karen	BR545031000	Horizon Property Management LLC	Tucson	Failure to produce records during a Department audit, failure to maintain required records, trust account shortage, commingled funds, failure to supervise.	Cease and Desist Order issued.
Kline, Terri Leahy	BR008058000	London Bridge Realty	Lake Havasu City	Violations of a previous Consent Order.	Commissioner's Final Order: 2 year PL, quarterly statements and monthly trust account reconciliations to the Department, \$30,000.00 Surety Bond, 9 hours of CE.

## DISCIPLINARY ACTIONS CONTINUED

Name	License Number	Brokerage at time of violation	Location	Summary	Order
Lepore, Kimberly	BR506694000	A.N.C. Properties LLC	Bullhead City	Failure to maintain records, failure to provide records to the Department, failure to reconcile trust accounts, trust account shortage; filing a false application.	Revocation of License and \$2,000 CP
Loiselle, Brian	SA584833000	Beshk Group	Mesa	Unlicensed activity; property management outside the employing broker.	Commissioner's Final Order: License Revoked.
Lorson, John	BR109738000	Real Property Management East Valley	Mesa	Property management journals & ledgers not in balance, failure to reconcile accounts, trust account shortage, trust monies held in a non-trust account, failure to supervise.	Consent Order: \$2,000.00 (Lorson), 2 year PL, monthly reports to the Department, \$30,000.00 Surety Bond, 12 hours CE.
Mayfield, Terri	BR640419000	Terri L. Mayfield	Buckeye	Failure to timely disclose a 2014 conviction for Reckless Driving.	ASA: \$750.00 CP
McCaffrey, Kristen	SA640979000	Bourquin Residential Group	Phoenix	Dishonest acts; conversion of trust account funds.	Commissioner's Final Order: License Revoked.
McDaniel, Brenda	SA564905000	Candidate; previously licensed	Chandler	Untimely disclosure of a 2013 conviction for DUI when previously licensed.	ASA \$400.00 CP; ASA.
McDaniel, Lashley	SA657196000	Candidate	Tucson	Prior convictions.	Consent Order: 2 year PL, practice monitor, quarterly reports to the Department.
Meyer, Betty	BR012352000	Inactive	Tucson	Failure to timely disclose a 2013 conviction for disorderly conduct.	ASA: \$750.00 CP
Mohr, Sabine	SA533274000	Londonderry Realty	Lake Havasu City	Unlicensed activity.	ASA: \$600.00 CP.

## DISCIPLINARY ACTIONS CONTINUED

Name	License Number	Brokerage at time of violation	Location	Summary	Order
Moles, Brandon	BR639818000	Premier Desert Properties LLC	Scottsdale	Failed to timely disclose a 2014 conviction for DUI.	ASA \$750.00 CP.
Neadle, Eric	BR640127000	Londonderry Realty	Lake Havasu City	Failure to supervise resulting in unlicensed activity.	ASA: \$300.00 CP
Osgood, James	SA113416000	Inactive	Phoenix	Failed to timely disclose a 2012 Consent Agreement and Order of Discipline with another agency.	ASA \$750.00 CP
Paredes, Nabile	SA585109000	Realty Executives Inc.	Yuma	Failure to disclose a DUI conviction, false application.	ASA: \$1,500 CP.
Phan, Tracy	SA540055000	Tierra Antigua Realty	Tucson	Unlicensed activity.	ASA: \$400.00 CP
Polk, Raymond	SA047696000	Realty One Group Inc.	Scottsdale	Failure to timely disclose a 2014 conviction for DUI.	ASA: \$750.00 CP
Prez, Jennifer	SA645480000	Visionary Properties	Gilbert	Failure to timely disclose a disciplinary action by another agency.	ASA: \$750.00 CP
R. J. Diamonds LLC dba Desert Vista Sales & Rentals	LC628691000	R. J. Diamonds LLC dba Desert Vista Sales & Rentals	Surprise	Audit violations; trust account shortage; failure to maintain required documents; commingling and/or converted client trust monies; conducted real estate activity through an unlicensed entity.	Commissioner's Final Order: License Revoked.
Real Property Management East Valley	CO581568000	Same	Mesa	Property management journals & ledgers not in balance, failure to reconcile accounts, trust account shortage, trust monies held in a non-trust account.	Consent Order: \$2,000.00 (RPMEV) , 2 year PL monthly reports to the Department, \$30,000.00 Surety Bond.
Rice, Genevieve	SA645824000	Homesmart, LLC	Phoenix, Arizona	Failure to timely disclose a 2014 conviction for DUI.	ASA: \$400.00 CP

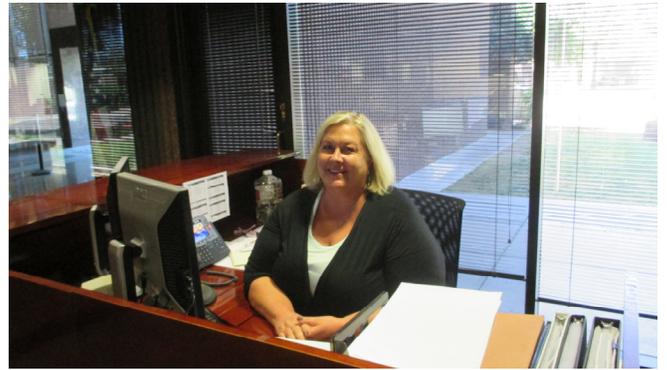
## DISCIPLINARY ACTIONS CONTINUED

Name	License Number	Brokerage at time of violation	Location	Summary	Order
Shoger, Greg	SA656044000	Candidate	Mesa	Prior convictions, drugs.	Consent Order: 2 year PL, practice monitor, quarterly reports to the Department.
Shurts, Jaime	BR510137000	ReMax Fine Living	Flagstaff	Failure to timely disclose a 2013 conviction for failure to comply with a court order.	ASA \$1,000.00 CP
Starr, April	BR023001000	All Star Property	Phoenix	Signing the name of another without written permission; unauthorized listing, acting for more than one party without knowledge, negligence.	Consent Order: \$9,000.00 CP, 60 day suspension, 2 year PL, quarterly reports to the Department 18 hours CE.
Sullivan, Dolores	unlicensed	Arizona vacation-rentals.com LLC	Phoenix	Unlicensed property management activity.	Cease and Desist Order issued.
Vistoso Vacation Rentals LLC	LC586362000	Same	Oro Valley	Failure to produce records during a Department audit, failure to maintain required records, trust account shortage, refused or failed to comply with a lawful order from the Department.	Cease and Desist Order issued.

# WELCOME TO THE ADRE TEAM



Linda Panattoni joined ADRE as a Customer Service Representative in June, 2015. Linda brings with her a combination of Real Estate customer service and legal experience. At ADRE she is working in the Licensing Division serving customers at both the HUB and the Licensing Customer Service counter. When Linda is not working she enjoys golf, fishing and reading on the beach!



Abby Hansen joined ADRE as a Customer Service Representative in June, 2015. Abby brings with her a combination of customer service and accounting experience. At ADRE she is working in the HUB and with Business Services. When she is not working Abby enjoys travel, reading, gardening and volunteering at the Desert Botanical Garden.



Deborah Palmer joined ADRE in June, 2015, as a Customer Service Representative at ADRE's Licensing Customer Service Counter. She brings with her experience within the real estate industry and development services/ public reports. When Deborah is not working she enjoys a wide variety of outdoor adventures.

## CALENDAR OF EVENTS

**ADRE will be closed on Labor Day, Monday, September 7, 2015, and on Columbus Day, Monday, October 12, 2015**



**Official Publication**  
**ARIZONA DEPARTMENT OF REAL ESTATE**  
2910 N. 44th St, Suite 100  
Phoenix, Arizona 85018

---

**VOLUME 2015 - ISSUE 3**

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

Real Estate Advisory Board

Kimberly Clifton, Chair  
Frank Dickens, Vice - Chair  
Karen Bohler  
Carla Bowen  
Charles Bowles  
Bill Gray  
Nedra Halley  
Dustin Jones  
Scott Peterson  
Jo Ann F. Sabbagh