



THE Arizona Department of Real Estate BULLETIN

March 2004

Volume 31, Issue 2

LET'S GET ACQUAINTED

TAKING YOU BEYOND THE COUNTER



Todd Madeksza

Director of Licensing and Education
Years of Service: Just under one Year
One unique thing about Todd: He met his wife when she tried to play cupid with his roommate and her roommate.



Rose Frazee

Deputy Director of Licensing
Years of Service: 25
One unique thing about Rose: After 25 years, she's still excited about coming to work each day.



Diane Paulsen

Customer Service Unit Supervisor
Years of Service: 25 1/2
One unique thing about Diane:
She enjoys Wizard of Oz memorabilia



Diane Ortega

Customer Service Unit Supervisor
Years of Service: 19 1/2
One unique thing about Diane:
Married her first love 36 years ago.

In our next bulletin we will introduce you to the Education Division

(Continued on Page 7)

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Our Mission

The purpose of the Department is to protect the public interest through licensure and regulation of the real estate profession in the State of Arizona.

ADRE Announces Creation of New Education Advisory Committee

By Jerome Jordan

After the tremendous success of last year's Stakeholder Meetings, it was decided to continue the dialogue between the Department and Industry with the creation of the Education Advisory Committee. The purpose of this new advisory committee is to have a conduit and deliberative body to increase the communication and facilitate the regulatory relationship between the ADRE's Education Division and the real estate educators in Arizona.

The Education Advisory Committee consists of 11 members. Nine members represent real estate schools and industry, and two members are from the Department. On February 20, 2004, the Education Advisory Committee had its first meeting. Todd Madeksza, ADRE Director of Education and Licensing, facilitated the meeting, "The meeting was very productive; I'm excited about the tremendous opportunities that the committee will present as we work with educators to make Arizona a leader in real estate education." The committee met for four hours in their inaugural meeting at the Department and discussed a range of issues from refining the criteria for course evaluations, and long-term education goals, to possible revisions in Department policy regarding education course requirements.

The committee also spent some time discussing the history of distance education in Arizona. The Education Advisory Committee will continue to meet throughout the year. The next meeting is tentatively scheduled for May 21st. Please contact Vicky Murillo at (602) 468-1414 ext. 235 for any input or ideas you may have.

Education Advisory Committee Members

Judi Butterworth	De Rito Partners, Inc.
Gina Hudson	Gina's Property Management & Realty
Margie O'Campo de Castillo	Arizona Dream Realty
Barbara Freestone	Arizona Association of Realtors®
William Gray	The Arizona School of Real Estate
James Hogan	Hogan School of Real Estate
Pat Sheahan	Re/Max Commercial Investment
Cecil G. Daniels	Cecil Daniels Realcor
Stuart Israel	Westford College
Vicky Murillo	Arizona Department of Real Estate
Todd Madeksza	Arizona Department of Real Estate



**New Baby in ADRE Family!
Congratulations to Liz Carrasco!
(Public Information Officer)**

**Who is a new mom to:
Daniel Adrian
Born January 30, 2004!**





The Three Phases of Growth As Seen From the:

Commissioner's Corner

By Commissioner Elaine Richardson

The Three Phases of Growth As Seen From "The Commissioner's Corner"

Phase One: As Commissioner, there are two people with whom I work most closely, not only on a day to day basis, but minute by minute. They are my assistant, Carla Randolph, and our PIO, Liz Carrasco. Carla gave birth to a baby girl and Liz to a baby boy within weeks of each other. Most of you that are involved with the Department know Carla and Liz, and we all rejoiced with their new additions. (Just for a fun fact, both Carla and Liz worked until the very last day of their pregnancies—that's dedication.) Hence, the initial phase of growth—**population**.

Phase Two: With Phase One in place, we have a need to house all the wonderful new babies, their parents, as well as all the future Arizonans that have tossed aside their snow shovels and galoshes for golf clubs and tanning lotion. As stated by R.L. Brown, publisher of RL Brown Housing Reports, "The results are in...and 2003 eclipsed last years all time record as the Valley of the Sun's housing market sizzled with a 22.63% increase over 2002's record performance." Therefore, according to R.L. Brown and John Strobeck, publisher of "The Tucson Housing Market Letter", housing starts, sales, and re-sales are on the rise and appear to be continuing that upward spiral. Everything is pointing to the second direction of increased growth—**building**.

Phase Three: With Phase Two in place, more sales, re-sales and a brisk housing market naturally follow. Voilà, enter the need for more real estate sales agents and brokers. Department statistics appear to confirm that thought process, as evidenced in the first half of fiscal year 2004 (July to December 2003), our Subdivision staff processed **1,110** applications for a Public Report, a **23%** increase from last year. This figure includes **478 new home subdivision** applications, up **30%** from the same period last year. There is no question that the second phase of growth has a tremendous impact on our industry and ADRE. When I was appointed Commissioner in February 2003, the number of licensees was **55,620**. One year later in February 2004, that number has grown to **61,805**, an increase of approximately **10%**. During the same first half of fiscal year 2004, **12,700** people took the real estate license examination. This is an **18%** increase from last year and a **120%** increase from just **3** years ago. There is no doubt that Phases 1 and 2 created the third phase of growth—**sales**.

Where does this take us? We must continue to grow as a Department to keep up with the current growth trend, which in turn helps our industry as well as the entire economic picture of our beautiful state, while keeping with our mission to protect the public.

Do you like to write?

Do you have an article idea?*

If you would like to submit an article to be considered for inclusion in The Bulletin, please send your article to the Editor via email at: lcarrasco@re.state.az.us.

Submissions must be in MS Word format and less than 500 words.

A NOTE ABOUT GUEST COLUMN ARTICLES...

Guest column articles do not necessarily reflect the policies, opinion, or interpretations of law of the Arizona Department of Real Estate. They are meant to inform the public and provide variety to ADRE'S Bulletin. All articles are edited for space limitations.

THE FUTURE OF BUSINESS BROKERAGE EDUCATION

Guest Column By Brian G. Harron

The future of business brokerage education may be on the verge of a dramatic change for the better. Sparked by the growing sophistication of the real estate brokers and agents who choose to engage in this specialization, and the initiative and concerns of the Arizona Department of Real Estate, the spectrum of education may be about to change in a way that few would have predicted even six short months ago.

Looking ahead to 2004 or 2005, the scenario might look something like this. Newly licensed agents or anyone with a license who wishes to engage in any amount of business brokerage will be required to take 24 hours of business brokerage education and pass a related test. Then every two years as part of the renewal education requirement process, at least 12 hours will have to be in approved business brokerage classes.

These requirements reflect changes that have already been submitted to the Arizona Legislature by the Department of Real Estate and are reflective of the Commissioner's desire to better protect the public. The proposed requirements also reflect the wishes of business brokerage professional groups and individual business brokers who participated in study groups considering ways to enhance educational requirements.

Presuming that the requirements pass, where does a broker or agent get the required education? Here are several answers to that question.

#1 Real estate schools will, I am sure, be up to the challenge of creating and offering beginning to intermediate level classes. Some real estate schools already offer an array of classes that will allow anyone to take all of their renewal hours in business brokerage subjects.

#2 The Valley Board of Business Brokers, which primarily serves the Phoenix metropolitan area and is a strong networking, listing, sharing and professional improvement organization, offers four three-hour renewal sessions per year and also includes a non-credit educational program at almost all of its bi-weekly meetings.

#3 The International Business Brokers Association, also known as the IBBA, is perhaps the premier source of professional improvement opportunity in the U. S. today. IBBA offers a wide array of classes and certification opportunities. Note: Until now IBBA classes have been available almost exclusively to IBBA members and only at the group's twice per year conventions.

Each of these groups is now strengthening their offerings in a way that will have a direct and very positive impact on the State of Arizona. VBBA continues to enhance its educational services for members and makes its renewal programs available to non-members as well.

The future of education for Business Brokers looks bright and better than ever before.

Editor's note: Brian Harron is the Associate Broker of The Restaurant Brokers and may be reached

Sneak Preview...

**It's Coming- We Can't Wait-
What is it?**

See Page 7 For a Hint.

Subdivision-Adjacent Land Disclosures

By Roy Tanney, Director of Subdivisions, and Cindy Ferrin, Deputy Director of Subdivisions

On February 10, 2004, the Department modified the Public Report Applications in order to address some of the recommendations received during the Stakeholder Subdivision Review Committee meetings and in response to clarification on distance disclosure that developers have been requesting for many years.

The Department is charged with protecting the public interest and strives to ensure that all developers make proper disclosure of existing and proposed land uses, and any unusual safety factors adjacent to and in the vicinity of the subdivision.

Arizona state law requires that subdivision developers have a disclosure document, called a Public Report, on file with our office in order to have permission to sell subdivision lots. The Public Report is a disclosure document that contains information provided by the developer and gathered by the Department. The Public Report describes the condition of the development to be sold, including all encumbrances and adjacent proposed land uses. Law requires that the Public Report be given to new home buyers prior to the purchase, so that they may make an informed decision.

It has long been the Department's position that it could set a dangerous precedent by spelling out specific distances required for disclosures, since there may be too many variables in each subdivision. For example, a shooting range, airport, dairy farm or petroleum pipeline all may present hazards or nuisances with different distances – there is no one distance that would satisfy all



situations.

However, because of the Subdivision Review Committee meetings, requested inquiries from developers for clarification, and the attention devoted to pipeline disclosure issues, the Department is setting forth guidelines for developers to follow when conducting research for disclosures they need to provide in their Public Report applications.

This is a monumental change and one not embraced by many other states. However, the Department has been striving to work with stakeholders to clarify recommended distances in order that disclosure to the public can be clarified. It gives clear guidelines regarding subdivision boundaries that developers should research in order to disclose existing and proposed land uses, and any unusual safety factors adjacent to and in the vicinity of the subdivision. Additionally, after the pipeline rupture in a Tucson new home development, the Department worked with developers to clarify disclosure of hazardous liquid pipelines or natural gas pipelines, not only within the boundaries of the subdivision, but also within 500 feet from the subdivision boundary.

To review these modified and new questions, please go to our website at www.re.state.az.us and click on Download Forms.



FREQUENTLY ASKED QUESTIONS

Question: Can agents appointed by the Family Court as “special commissioners for the sale of real property” advertise themselves as “Real Estate Commissioners?”

Answer: No. There is only one Real Estate Commissioner. A.R.S. § 32-2106 states, “The real estate commissioner shall be appointed by the governor, pursuant to § 38-11.” Governor Janet Napolitano appointed Commissioner Elaine Richardson, and she is the current Real Estate Commissioner. The Maricopa County Family Court appoints and trains licensed real estate salespersons to mediate cases involving the sale of real property. The Arizona Department of Real Estate is working with the Maricopa County Family Court to clarify this distinction.

Question: Does ADRE require licensees to be members of a real estate association or board?

Answer: No. Licensees are not required by ADRE to hold a membership in any real estate association or board.

Advertising Update

By Tom Adams, Director of Investigations

Although generally not as serious as some other violations, the most common complaint received by the Arizona Department of Real Estate concerns advertising. Advertising complaints primarily revolve around one central theme, the lack of properly identifying the Designated Broker. Commissioner’s Rules R4-28-502 and R4-28-503 address advertising, and clearly specify that the name in which the employing broker’s license is held or the fictitious name contained on the license certificate must be included in ALL advertisements.

A primary guideline to consider when creating an advertisement is that the broker represents the client and the salespeople represent the broker in the transaction. This relationship must be indicated in the advertisement; that is, the ad must be clear that the broker is involved in the process.

One specific area that generates a number of complaints is the use of a “Team” name in such a way that it appears to be the primary party in the sales process. Having “The (Team Name) Team” at the top of the page in large letters, with a much smaller brokerage symbol somewhere below (often at the bottom of the page), does not meet the intent of the rule, but it occurs frequently. Likewise, having

the salesperson’s name prominently displayed with a small symbol for the broker (or no broker identification at all) is not proper. The priority is broker, team, salesperson. All advertisements should show the relationship in that way (except, of course, when there is no team name).

Brokers, by statute and rule, are responsible for the acts and omissions of their employees, and are looked to by the Department to review and approve all advertisements. When an advertisement is determined to be in violation of statute or rule, in most cases, the first time the Department will issue both the broker and the agent a non-disciplinary Letter of Concern indicating the issue and the corrective action required. Second or subsequent violations could result in disciplinary action, with the Letter of Concern as part of the supporting documentation. The Department is interested in obtaining compliance, not in initiating discipline. All licensees are encouraged to take an extra few minutes to review advertisements to ensure they meet the requirements of the law. That, in the long run, saves everyone a lot of trouble and extra work. ☐

LET'S GET ACQUAINTED *(continued ...)*



Bob Cates

Customer Service Representative

Years of Service: 25

One unique thing about Bob:

He's a big fan of the Arizona Diamondbacks.



Mary Ann Morrone

Customer Service Representative

Years of Service: 7

One unique thing about Mary Ann:

She has 6 wonderful grandchildren.



Justine Tewinkle

Customer Service Representative

Years of Service: 3

One unique thing about Justine:

She is studying to be a board certified genealogist.



David Churchill

Customer Service Representative

Years of Service: 3

One unique thing about David:

He's a retired police officer.



Joann Medina

Customer Service Representative

Years of Service: 3

One unique thing about Joann:

She enjoys the end of the month licensing rush at the Department.



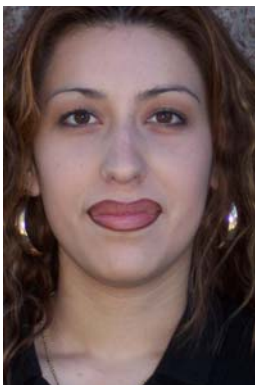
Toni Pollard

Customer Service Representative

Years of Service: 2 1/2

One unique thing about Toni:

She's never been late for anything in her life!



Dianna Riviera

Customer Service Representative

Years of Service: 1 year

One Unique thing about Dianna:

She likes to draw.

**IN ADDITION TO OUR CURRENT
ADRE LICENSING TEAM, ADRE
WELCOMES OUR NEWEST
MEMBER: KENNETH LAMB**

**HINT
WE'RE ALL EXCITED
YOU WILL BE TOO
WHEN YOU SEE WHAT'S HAPPENING,
WHAT'S COMING, WHAT'S NEW?
YOU'RE GOING TO LOVE IT
AS MUCH AS WE WILL!**



Kenneth Lamb

Customer Service Representative

One unique thing about Kenneth:

He has been acting in plays since the age of 12.

Do yourself a favor...

Need to renew your license? Avoid the long lines!

*Mark your calendar to renew in the 2nd or 3rd weeks
of the month — traffic is usually slower in volume!*

Why wait until the end of the month?

Your time is valuable!



Legislative Update

In 2003, Commissioner Elaine Richardson held Stakeholder meetings which brought together industry professionals from around Arizona. Those who participated in these meetings developed recommendations that would become ADRE's 2004 legislative package. The legislative package consists of three bills: SB1140, HB2553, and HB2556.

Senate Bill 1140 is the Department's omnibus bill. It establishes a business broker designation and makes numerous changes to statutes regulating cemeteries and the real estate industry.

It passed the Senate Commerce Committee, and the full Senate with a vote of 27 ayes, 0 nays, and 3 not voting.

House bill 2553 clarifies and updates definitions in the subdivision statutes.

It passed the Federal Mandates and Property Rights Committee on February 26, 2004.

The bill was heard and passed in the House Commerce and Military Affairs Committee on March 1st with a vote of 5 ayes, 0 nays, and 4 not voting.

House bill 2556 creates the Real Estate Regulatory Revolving Fund comprised of surcharges and fees. Additionally, it modifies guidelines and fees for various real estate laws regarding the sale of subdivided and unsubdivided lands, organization and regulation of cemetery land, and real estate licensing.

It was heard and passed in the House Commerce and Military Affairs Committee on March 1st with a vote of 8 ayes, 2 nays, and 2 not voting.

Be sure to look for another legislative update in future bulletins.



Don't forget — You can also use our full service Southern Arizona office!

Location: Tucson

Hours: 8:00 a.m. to 5:00 p.m.

Monday through Friday

Address: 400 W. Congress, Ste. 523

Phone 520.628.6940

It's Time To Update the Rules

By Cindy Wilkinson, Deputy Director of Administrative Actions

State agencies, including the Arizona Department of Real Estate, are required to conduct a review of agency rules (Arizona Administrative Code) every five years. The purpose of the Five Year Rule Review is to consider each rule's objective and how effectively the rule achieves its objective; whether the rule reflects the way the Department does business; conforms to state and federal statutes and rules; if the rule is easy for consumers, providers and the general public to understand; and whether the rules can be made less intrusive and/or less costly. Following this review, the agency files a report identifying which rules it has determined should be amended or repealed, or if new rules are needed, and a timetable for making those changes.

Following meetings of Department staff and stakeholders--licensees, trade groups, attorneys, developers, and others--as part of its Five Year Rule Review, the Department proposes to amend or adopt rules included in Articles 1, 3, 5, 10, 11, and 13. Some of the definitions, fees, and license timeframes in Article 1 need to be adjusted. Clarifying changes to improve understanding are needed for some rules in Articles 3, 5, and 10. Some subsections will be relocated within Article 11, and a section in Article 13, that the Administrative Procedures Act and the Office of Administrative Hearing's Rules has made redundant, will be repealed. As the rulemaking progresses, additional changes which need to be made to these Articles may be identified.

The Department has submitted a Notice of Rulemaking Docket Opening to the Secretary of State's office for publication in the Arizona Administrative Register. More information on the rulemaking process in general, and on the developing rule changes that the Department will propose, will be made available in future bulletins.

Administrative Actions

Commissioner's Final Orders Disciplinary Actions

Carol L. Bauer dba Independence Realty (Laughlin)

File No. 02A-095-REL, Order November 12, 2003

The Commissioner revoked Bauer's real estate broker's license and assessed a civil penalty of \$5,000 against her based on Bauer's May 2003 conviction for Attempted Fraudulent Schemes and Artifices, a class 3 felony, and her conduct performing property management services, including commingling and conversion of client funds, and violation of statutory provisions including A.R.S. §§ 32-2126(A), 32-2173(A), 32-2175(C), 32-2151(B)(1) and (2).

Manuel A. Perez (Phoenix)

Files No. 01A-126-REL, 02A-162-REL, 03A-002-REL,

03A-003-REL (Consolidated), Order December 18, 2003

The Commissioner revoked Perez's real estate salesperson's license and assessed a civil penalty of \$28,000 against him for his conduct in real estate transactions including misrepresentations and false promises; failure to deposit down payments in a trust or escrow account; failure to maintain and produce on demand proper records; failure to provide copies of all documents to his clients; failure to remit or timely remit the down payments to his clients; converting the down payments for his own personal use; and failure to meet his fiduciary duty to protect and promote his clients' interests. .

Appealable Agency Actions

Carla Ann Brown (Arlington)

File No. 04F-046-REL, Order February 4, 2004
The Department denied Brown's application for real estate salesperson's license based on her 1992 class 6 undesignated felony for Solicitation to Possess Narcotic Drugs; September 27, 1996 conviction for shoplifting, a misdemeanor; one conviction for prostitution, and deferred prosecution of another prostitution charge, in violation of the statutory provisions of A.R.S. § 32-2153. After requesting a hearing before an administrative law judge, she failed to appear and her application for license is denied.

Bennie B. Farrar (Sun City West)

File No. 03A-089-REL, Order January 21, 2004
After hearing, the Department reinstated Farrar's cemetery broker's license, summarily suspended on September 24, 2003.

Christopher G. Hignett (Peoria)

File No. 03A-086-REL, Order October 28, 2003
The Department denied Hignett's application for real estate salesperson's license based on DUI convictions resulting from 1998 and 1999 citations; and a 1999 misdemeanor conviction for Petty Theft, in violation of the statutory provisions of A.R.S. § 32-2153. After a hearing before an administrative law judge, his application for license is denied. Hignett's request for rehearing was denied December 4, 2003.

Hilton Honyaoma (Phoenix)

File No. 04F-010-REL, Order December 23, 2003
The Department denied Honyaoma's application for renewal of his real estate salesperson's license based on a 3/11/2003 conviction for DUI/Extreme DUI/BAC over .15 and a September 2000 conviction for DUI, in violation of the statutory provisions of A.R.S. § 32-2153. After a hearing before an administrative law judge, his application for license renewal is denied. Honyaoma's request for rehearing was denied February 18, 2004.

Cyril H. Kobey, Jr. (Phoenix)

File No. 04F-036-REL, Order January 8, 2004

The Department denied Kobey's application for real estate salesperson's license based on an adverse judgment in U S Bankruptcy Court finding that Kobey made a misrepresentation by fraudulent omission, and awarding judgment in the amount of \$17,287.70 plus interest, in violation of the statutory provisions of A.R.S. § 32-2153. After a hearing before an administrative law judge, his application for license is denied.

Michael H. Salman (Phoenix)

File No. 04F-037-REL, Order December 31, 2003
The Department denied Salman's application for real estate salesperson's license based on a 1992 felony conviction for Aggravated Assault and a 2002 misdemeanor conviction for Impersonating a Public Servant, in violation of the statutory provisions of A.R.S. § 32-2153. After a hearing before an administrative law judge, his application for license is denied. Salman's request for rehearing was denied February 11, 2004.

Consent Orders
Disciplinary Actions

George F. Bridges and Dreams-Home & Land, LLC, aka Dreams-Land & Home, LLC, dba Dreams-Home & Land (Fountain Hills)

File No. 03A-063, Consent Order February 18, 2004
Bridges advertised property for which he no longer had a valid listing agreement, and failed to refer inquiries from potential renters to the property owners, as he had offered to do, in violation of statutory provisions of A.R.S. § 32-2153 and A.A.C. R4-28-502(C) and R4-28-1101(C). Bridges is assessed a \$1,000 civil penalty and required to attend three additional hours of continuing education classes.

Stephen Gold and Robert Starr (Phoenix)

File No. 03A-100, Consent Order December 19, 2003
Gold and Starr, acting as dual agents, failed to include the required disclosure of the buyer's right to receive and seller's obligation to provide a public report for a subdivided lot before the parties executed a binding contract, in violation of statutory provisions of A.R.S. § 32-2153 and A.A.C. R4-28-803. Respondents are each assessed a civil penalty of \$2,000, and Gold is required

to attend three additional hours of continuing education classes.

Montalbano Homes of Arizona, Inc. (Phoenix)

File No. 03A-100, Consent Order December 19, 2003
Subdivider Montalbano Homes failed to include the required disclosure of the buyer's right to receive and Montalbano's obligation to provide a public report for a subdivided lot before the parties executed a binding contract, in violation of statutory provisions of A.R.S. § 32-2183(F) and A.A.C. R4-28-803. Montalbano is assessed a civil penalty of \$1,500 and required to offer rescission to the purchaser within 30 days.

Appealable Agency Actions

Dorsha Regina Hale (Mesa)

File No. 04F-009-REL, Consent Order December 30, 2003
The Department denied Hale's application for real estate salesperson's license under A.R.S. § 32-2153 based on her 1992 felony conviction for Aggravated Assault and 1995 undesignated conviction for Disorderly Conduct. Hale appealed the denial and is granted a provisional license subject to specified terms and conditions.

Mehrzaad "Nick" Noghrehchi (Peoria)

File No. 04F-063-REL, Consent Order February 17, 2004
The Department denied Noghrehchi's application for real estate salesperson's license under A.R.S. § 32-2153 based on his 1991 conviction for Attempted Fraudulent Insurance Claims and the Department's 1992 denial of Noghrehchi's application for real estate broker's license and revocation his real estate salesperson's license. Noghrehchi appealed the denial and is granted a provisional license subject to specified terms and conditions.

Ann Marie Rose (Tucson)

File No. 04F-056-REL, Consent Order January 20, 2004
The Department denied Rose's application for renewal of her real estate salesperson's license under A.R.S. § 32-2153 based on the Consent Agreement and Order entered against her on December 14, 2001 by the Arizona Board of Technical Registration and her failure to timely disclose this sanction to the Department within

10 days of its occurrence. Rose appealed the denial, her application for license renewal is granted. The renewed license is suspended for one year and she is assessed a civil penalty of \$1,000. Following the license suspension, Rose shall be issued a provisional license subject to specified terms and conditions.

Christopher B. Wallace (Higley)

File No. 04F-030-REL, Consent Order December 17, 2003
The Department denied Wallace's application for real estate salesperson's license under A.R.S. § 32-2153 based on his 1992 felony conviction for theft and subsequent probation violation. Wallace appealed the denial and is granted a provisional license subject to specified terms and conditions.

Eric A. Willens (Phoenix)

File No. 04F-062-REL, Consent Order January 6, 2004
The Department denied Willens' application for real estate salesperson's license under A.R.S. § 32-2153 based on the 1998 Consent Order with the Department concerning his conduct as buyer's agent. Willens appealed the denial and is granted a provisional license subject to specified terms and conditions.

Kathleen Winn and Eclipse Development LLC (Scottsdale)

No. 04F-015, Consent Order November 13, 2003
The Department denied Winn's and Eclipse Development's applications for renewal of their real estate brokers' licenses under A.R.S. § 32-2153 based on (1) Winn's failure to disclose on Eclipse's original application for entity license prior disciplinary action by the Department against Winn, managing member of the entity; and (2) they prepared a purchase contract for a subdivided lot and failed to include the required disclosure of the buyer's right to receive and General Hunt Properties' obligation to provide a public report for the subdivision before the parties executed a binding contract, and to take a receipt from the buyer for the public report. Renewal of the licenses is granted, respondents are assessed a civil penalty of \$2,000, and Winn is required to attend nine additional hours of continuing education classes.

**ARIZONA DEPARTMENT OF
REAL ESTATE**

Main Office:
2910 North 44th Street, Suite 100
Phoenix, Arizona 85018
Phone: 602.468.1414
Fax: 602.468.0562

Southern Arizona Office:
400 W. Congress, Suite 523
Tucson, Arizona 85701
Phone 520.628.6940
Fax 520.628.6941

We are on the web:
<http://www.re.state.az.us>

THE BULLETIN

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