



T H E
Arizona Department of Real Estate
B U L L E T I N

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In 1999 there were 50,000 Arizona Real Estate Licensees...in 2004 that number increased to 67,000!

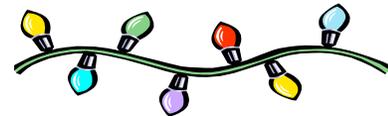


ADRE collected \$3,000,000 from licensing fees in 1999, that revenue increased to \$4,700,000 in 2004. (Yet the ADRE budget appropriations remained stagnant for this period!)



In 2002 ADRE sent \$350,895 to the State General Fund...In 2004 ADRE collected \$4,675,203 in fees, of that ADRE SENT \$1,561,503 to the State General Fund!!

Despite increases in the number of licenses regulated, increase in collection of fees, increase in investigations, and increase on staff demands, the number of staff has decreased going from 67 employees in 1999 to 57 in 2004! This was as a result of budget cuts!



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Our Mission

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

Closing the Gap

By Richard C. Simmonds



If you've experienced the long wait to obtain or renew your license or if you're a developer and experienced the longer wait for your Public Report or if you've filed a complaint and experienced the delay in getting it investigated, you know first hand that ADRE is not providing the level of service it should. The Department hopes to close that gap in service level. It comes down to \$\$\$. The Department has nine (9) unfunded vacant positions because of budget cuts. Work is being done with the Governor's Office of Strategic Planning and Budget and with the Joint Legislative Budget Committee staff to have ADRE fiscal 2006 (starting July 1, 2005) appropriation more appropriately reflect the needs of the industry. Although ADRE has no influence or control over the industry associations, various leaders of the Arizona Association of Realtors® have told us that they will be working to get the Department more money for fiscal 2006. In a recent meeting with the President and Executive Director of the Central Arizona Home Builders Association, she expressed her commitment to have the Department budget as their top priority. Stay tuned. Over the next few issues of the Bulletin, updates on our efforts to Close the Gap will be forthcoming. The following is one partial solution. **The Online Solution.**

To improve its customer service efficiency and keep up with increased real estate license applications, the Department turned to the State of Arizona's Arizona @ Your Service (AAYS) Web Portal Application Development Delivery Team to help find a solution. Together, the ADRE and AAYS technical teams developed the **Online Renewal System (OLRS)** application, an innovative solution that automates the processing of real estate license renewal applications. OLRs will provide licensees the capability to renew their licenses, make a number of licensing changes via the Internet, and pay the required fees using a credit card. With OLRs, convenience is the operative word. No longer will licensees be required to fill out forms and make sure they are in the mail so they arrive at the Department on time. No longer will licensees have to make a trip to the Department and stand in line waiting to have their application processed. No longer will licensees have to scramble at the last minute to find the cash or checkbook to pay the application fee. Renewal

applications will be online 24/7 for submission from anywhere the Internet can be accessed. License fees will be able to be paid by credit card helping to ensure an audit trail for tax purposes. When will this be available? We anticipate the launching of this online service in early January. Now back to \$\$\$. If ADRE is not successful in increasing the Department's appropriation for fiscal 2006, a transaction fee (between \$3.00 and \$5.00) will need to be assessed to use the online system. ADRE really does not want to do this. Licensees already pay over 80% of the Department's budget, more than their fair share. As stated earlier, stay tuned for further updates.

Editor's Note: Mr. Simmonds is the ADRE Director for Business Services Division and Special Assistant to the Commissioner. □





- I had traveled to Kazakhstan four years earlier with the Arizona-Kazakhstan Partnership; however in a different capacity. In 2000, I was a member of a team that provided training on the dynamics of Domestic Violence, not only a national epidemic in our country, but very much so in Kazakhstan. Since I was instrumental in passing legislation on the subject, I was able to share some of the advances we have made in America regarding this seemingly chronic problem.
- Let's fast forward to September 2004, I was asked to join such esteemed colleagues as Paul Lindsey, who owns Coldwell Banker in Tucson; Bob Peirce, CEO of the Scottsdale Association of REALTORS®; and Sharon Hekman, Director of the Arizona-Kazakhstan Partnership Inc. We were all invited to facilitate a seminar on real estate related issues in Almaty, Kazakhstan.
- Almaty is approximately 14,000 miles away - - half way around the world! After a day and half sitting in the steerage section on different airplanes, we arrived, naturally in the middle of the night. Kazakhstan is a beautiful, multi-cultural country with wonderful food and fabulous people who cannot seem to do enough to accommodate their guests. Some members of the group we would be training had visited ADRE a year before. I am embarrassed to say that our hospitality is very lacking compared to the lavish treatment in the way of warmth and general graciousness.
- Jet lag ignored, training started with a protocol session that was heavily covered by Kazak media. We were well received by folks in the real estate industry as well as dignitaries, both Kazak and American. Kazakhstan has been independent for 13 years and one can only marvel at the accomplishments that have occurred in many areas, but now- - back to real estate.
- After the protocol of opening day, approximately 40 real estate professionals assembled in a large theatre-style room to begin their training. A day and a half was devoted to the intricacies of running a real estate office. Paul Lindsey was the star of that segment.

Paul had spent almost a week with some of the participants when they had visited Arizona; therefore, he had established a working relationship with them and they clung to every word he spoke- -sort of their hero! Bob Peirce and I were there for ad-libs and questions during Paul's training. It worked well. Another day was spent entirely on starting and managing a MLS. Bob did a fabulous job with his portion of the event.

- Enter your Commissioner. My topic was regulatory issues. Almaty is a big city that is really a small town. Most folks knew my background as a Senator and my previous history with Kazakhstan as well as my love of the country, its customs, food, shopping, etc. Therefore, I was treated and received with respect. I mention this because my subject, Regulation, is not a concept that fares well with a society that has lived under Communist rule. Many members of the Almaty Association of Realtors realize how important licensure is to their industry. Currently there are no laws in place regarding licensure of any kind. My Power Point training was in both languages. It included subjects such as development and investment, and the role of the Attorney General's Office, which was of particular interest to them. Everything was done with a translator and after a while, working with a translator becomes second nature.
- U.S. Aid to International Development (USAID) funded this particular project. I feel the information we shared with our Kazak friends was invaluable. They are very interested in bringing professionalism and ethics into their industry, something we in Arizona strive for every day. I believe this relationship building fosters excellent relations not only in real estate communities, but between countries as well. There are approximately 4,000 ex-patriots living in Kazakhstan. The Kazak Real Estate Industry is booming, perhaps the existence of oil is a factor.

As our borders shrink and we become a more global society, I believe it is important to reach out to countries where capitalism and democracy are new

A NOTE ABOUT GUEST COLUMN ARTICLES...

GUEST COLUMN ARTICLES DO NOT NECESSARILY REFLECT THE OPINIONS, POLICIES OR INTERPRETATIONS OF LAW BY ADRE. ADRE ASSUMES NO RESPONSIBILITY FOR THE CONTENT IN SUCH GUEST ARTICLES. THEY ARE MEANT TO INFORM THE PUBLIC AND PROVIDE VARIETY TO ADRE'S BULLETIN. ALL ARTICLES ARE EDITED FOR SPACE LIMITATIONS.

A Unique Opportunity

By Guest Columnist Robert W. Peirce Jr. -CEO Scottsdale Area Association of REALTORS®

About a month ago, Arizona Department of Real Estate Commissioner Elaine Richardson invited me to be part of a small team to go to Kazakhstan to participate in a conference for real estate practitioners in Almaty, the former capital of Kazakhstan. As an aside, today, their capital is located in Astana (since 1997) in the northern sector of the country. This conference was the result of a collaborative effort with the **Arizona-Kazakhstan Partnership Foundation (AzKz)**. Before I share the "program/visit" with you, I thought it would be useful to give you an idea of "*who, what, where*" Kazakhstan is about. So, this will be the first of a two-part series.

"AzKz" was created in 1998 to build upon an established relationship between the state of Arizona and the nation (Republic) of Kazakhstan and goes back to 1988 when Tucson became a Sister City of the then capitol, Alma Ata, during Soviet times. The Partnership maintains an office in Tucson and one in Almaty. **AzKz's** approach to affecting change for Kazakhstan and Central Asia is through the Partnership Development Process. The purpose of partnerships...as compared to exchanges for training, study tours, or training programs...is to create a supportive environment where individuals and organizations committed to each other can identify their problems, cooperatively develop a plan to address them, and apply their collective resources to obtain results. For example, in addition to focusing efforts in the areas of domestic violence prevention, local government economic development, small and medium enterprise development, etc., **AzKz** is also working with mortgage lenders to strengthen the development of a dynamic affordable housing market and to continue its work with local government officials to enhance their

democratic leadership skills.

WHERE: Kazakhstan is located in Central Asia, south of Russia and northwest of China. It is bordered on the south by Turkmenistan, Uzbekistan, and Kyrgyzstan. Its western boundary is primarily the Caspian Sea but it also shares a shoreline with the Aral Sea. It covers approximately 1,049,150 square miles and, as the ninth largest country in the world, it is roughly the size of Western Europe, approximately four times the size of Texas, and five times the size of France.

WHO: Kazakhstan is an ethnically diverse republic. The population is comprised of Kazak (52%), Russian (34%), Ukrainian (4.5%), Tatar (2%), German (1.7%) and more than one hundred other nationalities. In addition, the religious make-up is approximately 47% Muslim, 44% Russian Orthodox, and 9% "other". Kazakhstan gained its independence from the former Soviet Union on December 16, 1991. Although **perestroika** was originally Mikhail Gorbachev's program for economic, political, and social restructuring in 1986, it became the unintended catalyst for dismantling the Marxist-Leninist-Stalinist totalitarian state. However, it was not until the latter part of 1991 that Boris Yeltsin, Russia's first popularly elected president, took the remarkable leadership stance and led Russia to many far-reaching reforms as the Soviet Union broke up into its constituent republics and formed the Commonwealth of Independent States.

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They have what we would describe as a “hybrid” form of government that combines aspects of both parliamentary and presidential systems. The President is elected for a seven-year term, serves as commander-in-chief, sets foreign policy, can initiate legislation, and appoints the Prime Minister, subject to Parliamentary approval. The Parliament consists of two houses...the Senate (upper house) and the Majilis (lower house). The Senate has forty-seven deputies, seven of whom are appointed by the president. They serve six-year terms. There are seventy-seven members of the Majilis who serve five-year terms. Their Judicial branch (Supreme Court) consists of forty-four members. Plus, there is a Constitutional Council made up of seven members.

Early this year, Kazak President Nazarbayev signed into law a bill introducing major reforms in the way elections are held. While we were there, parliamentary elections were held. Twelve political parties contested the elections with more than seven hundred candidates running for office! The last we heard was that there was to be a run-off for about one-third of the seats. As an aside, transparent ballot boxes are used in numerous locations. The next presidential election will be in 2006.

In the first few years after independence, Kazakhstan successfully rid itself of the fourth largest nuclear arsenal in the world and continues to be the model for global community through its example of unilateral disarmament and nonproliferation. They possess a wealth of natural resources and have the world's largest reserves of barite, lead, tungsten, and uranium. Their current oil reserves number about thirty-five “billion” barrels (twice as much as the North Sea). By 2010, it expects to be one of the top five oil producers in the world with reserves comparable to Kuwait's. American companies, such as ChevronTexaco, ExxonMobil, Bechtel, John Deere, Chase, etc., account for more than \$26 billion of foreign direct investment.

One additional piece of information from a tourist standpoint, under an agreement with a number of private Kazak companies, Marriott International plans to manage two new five-star hotels in Kazakhstan. One will be the 120 room Renaissance Aktau Hotel and the other is the 202 room Renaissance Atyrau Hotel that will be completed by the summer of 2005. These two cities are considered “capitals” of Kazakhstan's booming oil industry in the west, along the Caspian Sea.

As far as their “media” is concerned, they are far ahead of the majority of post-Soviet countries in terms of mass media development. There are more than 1,200 newspapers, 490 magazines, 160 radio and television stations, and 14 news agencies. Their news media speaks thirteen languages including Kazak, Russian, Uzbek, Ukrainian, Polish, English, German, Korean, Turkish, Farsi and others. From a personal perspective, one of the most appealing aspects of their media was the civility of their coverage since propaganda of war, violence, cult of cruelty, pornography, incitement of interethnic and interfaith hatred, and threats to national security are banned topics. Call me old-

fashioned, but it was a relief to get away from all the political demagoguery, unending reports of violence, and the useless banter of television news-readers in our country for a brief time. More next time...

Phone Blues By Curt Leaf

How often have you found yourself listening to a recording when you've called ADRE or become frustrated because you've bounced from one extension to another without ever getting to speak to someone? What you are experiencing is ADRE being overburdened by responding to 231,100 calls in FY 2004. Approximately 111.1 calls are being received per hour and 1.9 calls per minute.

Staff shortages due to budgetary reductions as well as the sheer volume of calls has placed added strain on the Department. ADRE management is working hard on arriving a solution to this problem. In the meantime, ADRE appreciates your patience.

Editor's Note: Curt Leaf is a Staff Assistant and has been with ADRE 31 years. ☐



Frequently Asked Questions (FAQ)...

Question: How soon can I renew my license prior to license expiration date?

Answer: You may renew up to 60 days prior to license expiration, or up to one year after license expiration. If your license has expired you cannot conduct real estate, cemetery, or membership camping activities, as applicable, until you renew your license and your status is "active."

Question: What renewal form do I use?

Answer: Form LI-247 is the preferred form. It is pre-printed by the Department with the licensee's name, address, license number, and license expiration date. LI-247 is normally mailed to licensees 60-90 days before license expiration. You may download the form from the ADRE website, request via fax or call 602-468-1414, and press 3 to request the form be mailed to you.

Question: What continuing education credits do I need?

Answer: Real estate licensees must attach a copy of continuing education certificates for 24 hours of ADRE approved continuing education (CE) courses. Currently, the requirement for renewal is 3 hours minimum in each of the following areas, plus additional hours in the following areas or in the General real estate category, to total 24:

Agency Law, Contract Law, Commissioner's Standards (At least 3 hours of credit in the Commissioner's Standards category must be the Broker Management Clinic if you are an active status designated broker which includes self-employed brokers), Disclosure, Fair Housing and Real Estate Legal Issues.

Question: What if information on file with the Department is out-of-date?

Answer: You are required to report changes in your address and name within 10 days, and change of employer must be filed with the Department before you may begin working for the new broker.

Question: What does it cost to renew my license?

Answer: The fee to timely renew a salesperson's license is \$60; a broker's is \$125. If you are making changes additional fees may be required. Review the instructions on the change forms you are submitting. Additional fees will be assessed for late renewals. If your license has lapsed for more than one year, you must apply for relicensure, not renewal.

Question: How do I know when my license expires?

Answer: If you are licensed on active status (employed by a broker), your license expiration date is printed on your license certificate, which was sent to your broker. If your license is on inactive status, you were issued a postcard that indicated your license number and license expiration date.

IT IS YOUR RESPONSIBILITY TO RENEW IN A TIMELY MANNER!

Watch for Online License Renewal in January!

Unlicensed Activity

By Tom Adams, Director Investigations and Auditing

When the Department revised and updated its Substantive Policy Statements (SPS) early this summer one of the policies that was revised involves "unlicensed activity." This particular SPS, 2004.08 (formerly #22), clarified and strengthened the penalty for licensees who engage in unlicensed activity after their licenses expire. The new policy calls for issuing a non-disciplinary Letter of Concern to a first-time offender with no aggravating circumstances who engaged in such activity for less than 30 days. Unlicensed activity that extends beyond 30 days, or situations involving aggravating circumstances (including second offences) are handled as disciplinary cases.

Since the inception of the change of policy the Department has handled over 25 cases that were referred for discipline. The penalties involved in these cases include payment of a civil penalty (fine) and license suspension. An additional impact on the licensee is that the license is not renewed until the investigation is completed and the final disposition's determined. During this time the person/entity is not licensed and cannot legally participate in real estate activities nor receive compensation for any real estate activity. Further fiscal impact occurs to the licensee if a license suspension is applied. Suspensions may be retroactive to cover the time the license has already been expired; in which case any commissions received during that time must be refunded, or may be effective upon renewal, which limits income during the upcoming suspension. This problem is even greater when it is the designated broker or entity license that is expired, since none of the sales agents can work without the licenses being valid.

Common responses from licensees as to why their licenses expired include not receiving notice from the Department, being involved in distracting personal issues (illness or family emergencies) or failure to renew either the entity or broker license due to the mistaken assumption that the entity and broker licenses expire at the same time. Although these may be reasons for the expiration, they are not excuses and will not result in a lessening of the penalty should such a situation arise.

The Department strongly suggests that each broker establish a system whereby they check the renewal dates of their licensees (including the entity and the broker) at the beginning of every month and ensure those that are due that month are renewed. Notification after the fact is too late. The Department's goal is not to catch licensees performing illegally but to stop the illegal activity from happening to begin with. A note on a calendar or in an electronic task manager can save a great deal of anguish on the part of the licensee, extra work on the part of the Department, and provide better service to the public as well.▣

IT IS YOUR RESPONSIBILITY!

RENEW YOUR LICENSE ON TIME!

My Broker's Entity License Has Expired, Now What?

Today could be the day you unknowingly violate licensing statutes. Some licensees may be thinking "no way". You're meticulous about how you conduct your activities and make sure you cross every "t" and dot every". However, as a licensed salesperson if your broker fails to renew the entity's license and you continue business as usual, you will be involved in unlicensed activity. Licensees may furrow their brow and say, "that's not my responsibility". However, because the entity license has expired, you will be personally affected and unable to engage in any activities that require a license.

The Department takes a strong stance on violations of licensing statutes and has increased the consequences for those individuals who participate in unlicensed activity.

What can you do to prevent this situation from occurring? One way you can help is to be aware of when the entity license is scheduled to expire. Remember knowledge is power!

By knowing the expiration date, you can ask your broker or business manager if a renewal has been filed. If it hasn't, keep reminding them on a daily basis if necessary. In this day of priorities and multi-tasking, make this one of your top priorities! E-mail reminders, write a note on their calendar, throw a "Time to Renew Your Entity License" party, do whatever you can to ensure the renewal is completed on time because ultimately, you will be the winner in this situation.

Place of Business Required

By Tom Adams, Director of Investigations and Auditing

Can an agent set up a booth at a "flea market" and conduct real estate business there on weekends? Can a broker equip a motor home as a "mobile office" and move from place to place to serve clients? These are two of the questions received by the Department recently. The answer in both cases is, no.

Arizona Revised Statute (A.R.S.) § 32-2126 requires a broker to have and maintain "a definite place of business" and goes on to add additional restrictions and requirements for that place of business. A.R.S. § 32-2127 provides for a broker having more than one place of business; however it requires the broker to license **each** place of business with an additional license. This statute goes on to provide for further limitations and requirements for branch offices.

Finally, Commissioner's Rule A.A.C. R4-28-304 addresses branch offices and "temporary offices." The rule requires specific things for a branch office, including an address and telephone number and a designee to be the branch office manager. Temporary offices are limited to offices established for "the original onsite sale of properties within the immediate area of a subdivision or unsubdivided land."

Considering all of the above, there is no provision for a designated space at a location (such as a swap meet) established for the purpose of conducting real estate activity unless it is licensed as a branch office (or in the specific constraints of a temporary office). The definition of real estate activities includes such things as advertising, counseling and advising, so the argument that "no listings are taken and no contracts are signed" does not remove the site from the technical definition of a real estate office.



Why spend your valuable time
waiting in line?

ONLINE RENEWAL COMING SOON!

Isn't your time worth money?



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: mutley@re.state.az.us.

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

*Submissions of guest writers may not necessarily reflect the opinion of the Department and may be edited due to space limitations.



No. 1 New Year's Resolution: RENEW YOUR LICENSE ON TIME! IT'S YOUR RESPONSIBILITY!

Coming Soon



Online Licensing Renewals

Administrative Actions

Commissioner's Final Orders Disciplinary Actions

Gene Jones and Gene Jones Company, LLC (Prescott)

File No. 01A-132-REL, Order 7/12/2004

After hearing, Jones' real estate broker's license and the company's real estate broker's licenses are revoked and Jones is assessed a civil penalty of \$4,000, based on Jones' violation of statutes and rules as follows: Pursued course of misrepresentation; violated provisions of statutes or rules; breached fiduciary duty to client and failed to deal fairly with all parties to the transaction; failed to account for rent money within a reasonable time; failed to produce statutorily required documentation of money collected; failed to maintain complete record of each transaction; demonstrated negligence in performing acts for which a license is required; and made substantial misrepresentations. A.R.S. §§ 32-2153 (A)(1), (A)(3), (A)(9), (A)(17), (A)(18), (A)(22), (B)(3) and A.A.C. R4-28-1101 (A). Jones appealed and the Commissioner's Order was affirmed on 9/9/2004

Bob Snyder (Phoenix)

File No. 00A-124-REL, Order 3/25/2004, Amended 3/26/2004

After hearing, Snyder is issued a 3-year provisional license as an associate broker on specified terms and conditions, post a \$5,000 surety bond, and pay a \$1,500 civil penalty based on Snyder's violation of statutes and rules as follows: converted trust funds and commingled trust funds with business and personal funds; failed to immediately deposit funds held in trust into a trust account; used property management trust funds for his own purposes; breached of his fiduciary duty as a broker; not honest, truthful and of good character. A.R.S. §§ 32-2151 (A), (B)(1) and (2); 32-2153 (A)(3), (A)(16), (B)(7); 32-2174, 32-2175, and A.A.C. R4-28-1101 (A) and (C). Snyder appealed and was granted a stay of the Order while the appeal was pending. The Commissioner's Order was affirmed and the stay was terminated on 8/18/2004.

Appealable Agency Actions

Daniel E. Blythe, dba Sundance Savings-2-You Realty (Bullhead City)



File No. 04F-113-REL, Order 9/21/2004

The Department denied Blythe's renewal application. Blythe appealed. After hearing, the Commissioner found Blythe to be in violation of A.R.S. §§ 32-2151(B)(2), 32-2153 (A)(3), (A)(22) and A.A.C. R4-28-301 (F) and R4-28-1101 (A) as follows: failed to maintain a trust fund bank reconciliation and client ledger balance on a monthly basis; demonstrated negligence in performing an act for which a license is required; breached his fiduciary duty to his client and failed to protect and promote his client's interests; and failed to report a civil judgment entered against him within 10 days of the judgment. The Commissioner denied Blythe's license renewal.

Kyra Conley (Scottsdale)

File No. 04F-152-REL, Order 9/9/2004

The Department denied Conley's license application based on Conley's 3/6/2000 conviction for theft. Conley appealed. After hearing, Conley's application for real estate salesperson's license is denied under A.R.S. § 32-2153 (B)(2), (7), and (10).

Rube "Lenny" Craig (Tucson)

File No. 03A-041-REL, Order 6/28/2004; Rehearing/reconsideration denied 8/23/2004

The Department denied Craig's renewal application based on his filing of a false and misleading application when he failed to disclose four misdemeanor convictions on his 1991 application. After hearing, Craig was found in violation of A.R.S. § 32-2153 (B)(1) and (3). The Commissioner granted a 2-year provisional license to

Craig as a membership camping broker, subject to specified terms and conditions, and assessed a \$2,000 civil penalty against him.

Owen John Edgar (Tempe)

File No. 04F-189-REL, Order 9/27/2004
The Department denied Edgar's license application based on three misdemeanor convictions. After requesting a hearing on the denial of his application, Edgar failed to appear and his application for real estate salesperson's license is denied under A.R.S. § 32-2153 (B)(7).

Douglas D. Gourley (Phoenix)

File No. 04F-109-REL, Order 8/21/2004
The Department denied Gourley's license application based on two alcohol-related misdemeanor convictions in 2001. After hearing, Gourley was found in violation of A.R.S. § 32-2153 (B)(7). The Commissioner issued a 2-year provisional license to Gourley as a real estate salesperson subject to specified terms and conditions.

Rudolph "Rudy" Hopp (Glendale)

File No. 04F-102-REL, Order 8/20/2004; Rehearing/ reconsideration denied 9/17/2004
The Department denied Hopp's renewal application based on a 2003 misdemeanor conviction for Assault, a conviction for violence against another person, and Hopp's failure to disclose the conviction to the Department within 10 days. Hopp appealed. Following a hearing, Hopp was found in violation A.R.S. § 32-2153 (A)(3), (B)(7) and (10) and A.A.C. R4-28-301 (F). The Commissioner granted the renewal, suspended Hopp's real estate salesperson's license for 90 days, assessed a civil penalty of \$1,000, and issued a 2-year provisional salesperson's license subject to specified terms and conditions.

David M. Howard (Phoenix)

File No. 04F-103-REL, Order 7/28/2004
The Department denied Howard's license application based on his history and succession of convictions, including a felony conviction. After hearing, Howard was found in violation of A.R.S. § 32-2153 (B)(2) and (B)(7). The Commissioner denied Howard's application for real estate salesperson's license.

Malina Ogren (Glendale)

File No. 04F-140-REL, Order 9/23/2004
The Department denied Ogren's license application, based on her conviction for theft, a crime of moral turpitude. After hearing, Ogren was found in violation of A.R.S. § 32-2153 (B)(2), (7), and (10). The Commissioner granted Ogren a 2-year provisional license as a real estate salesperson subject to specified terms and conditions.

Todd Vesledahl (Scottsdale)

File No. 04F-100-REL, Order 7/28/2004
The Department denied Vesledahl's renewal application based on his misdemeanor conviction of Disturbing the Peace by Disorderly Conduct and failing to disclose the conviction to the Department within 10 days. After hearing, Vesledahl was found in violation of A.R.S. § 32-2153 (A)(3), (B)(7), A.A.C. R4-28-301(F). The Commissioner denied Vesledahl's application for renewal of his real estate salesperson's license.

**Consent Orders
Disciplinary Actions**

Eric M. Barry (Phoenix)

File No. 04F-DI-043-REL, Consent Order 9/24/2004
Barry filed a false and misleading application when he failed to disclose two 1988 misdemeanor convictions and a 1989 misdemeanor conviction, in violation of A.R.S. § 32-2153 (B)(1), (2), and (7). Barry's real estate license is suspended for 60 days, he is assessed a civil

(Continued on page 12)



penalty of \$1,500, and issued a 2-year provisional license subject to specified terms and conditions.

Cynthia Burbach, formerly known as Cynthia Donn May (Scottsdale)

File No. 04F-LI-155-REL, Consent Order 10/20/2004, Amended 10/25/2004

Burbach notified the Department that she had failed to disclose on her original application a 1977 felony conviction, resulting in her filing an application that was false and misleading in violation of A.R.S. § 32-2153 (B)(1) and (2). Burbach's license is suspended 30 days (10/28/2004-11/27/2004), she is assessed a civil penalty of \$1,000, and issued a 2-year provisional license subject to specified terms and conditions.

Bruce Lichlyter (Litchfield Park)

File No. 04F-DI-128-REL, Consent Order 10/19/2004

Lichlyter demonstrated negligence in a real estate transaction by signing a party's name to a transaction document without first obtaining the person's written authorization, and violated provisions of statute and rule, in violation of A.R.S. § 32-2153 (A)(3), (22) and (25). Lichlyter is required to attend 12 additional hours of continuing education, pay a civil penalty of \$750, and for 2 years shall provide a copy of the consent order to each broker who employs him.

Raymundo A. Morales, a/k/a Ray Morales (Mesa)

File No. 04F-LI-115-REL

Morales filed a false and misleading application by failing to timely disclose on his original application a (second) misdemeanor conviction for D.U.I., and made misrepresentations concerning his qualifications for licensure, in violation of A.R.S. § 32-2153 (A)(3), (B)(1), (3) and (7). Morales's license is suspended for 90 days, he is assessed a civil penalty of \$1,500; and issued a 2-year provisional license subject to specified terms and conditions.

Carol A. Pease (Phoenix)

File No. 03A-020, Consent Order 8/2/2004

Pease failed to disclose within 10 days of occurrence, and filed a false and misleading renewal applications when she failed to disclose on her renewal applications administrative actions in March 2000, and February and June 2002 by the Arizona Appraisal Board against her appraisal license, in violation of statutes and rules including A.R.S. § 32-2153 (A)(3), (B)(1), (3) and (9). Pease's renewal application is

granted, her real estate broker's license is suspended for 4 months, she is assessed a \$1,000 civil penalty, shall attend 9 additional hours of continuing education credit and is issued a 2-year provisional license as an associate broker, subject to specified terms and conditions.

Cristobal Varela (Phoenix)

Varela provided a tax payer identification number rather than the required social security number required under A.R.S. § 32-2123 (B)(7) and A.A.C. R4-28-301 (A)(5), in violation of A.R.S. § 32-2153 (A)(3). Varela's license is revoked.

Rose Wian and Ronald Wilson, dba IRP-Golden Shores Realty (Topock)

Wian is a real estate associate broker employed by Wilson, a self-employed real estate broker. Both failed to disclose to the Department within 10 days that an adverse judgment had been entered against them, demonstrated negligence by failing to renew a listing agreement, relied on and submitted an MLS change form signed by someone other than the client to extend the listing, failed to specify an ending date on a property management agreement, and breached their fiduciary duty to their client, in violation of A.R.S. § 32-2153 (A)(3) and (22), and A.A.C. R4-28-301 (F) and R4-28-1101 (A). Wian is assessed a civil penalty of \$1,500 and required to attend 12 additional hours of continuing education courses; Wilson is assessed a civil penalty of \$750 and required to attend 6 additional hours of continuing education courses.

Carol A. Woodcock (Munds Park)

Woodcock failed to disclose to the Department within 10 days administrative actions taken against her by the Department of Building and Fire Safety, violated an administrative order, and filed a false and misleading renewal application when she failed to disclose the administrative orders, in violation of A.R.S. § 32-2153 (A)(3), (B)(1) and (9), and A.A.C. R4-28-301 (F). Woodcock's pending renewal application is granted, her license suspended for 60 days (12/1/04-1/29/2005), she is assessed a civil penalty of \$1,000, and issued a 2-year provisional license subject to specified terms and conditions.

Appealable Agency Actions

Patricia Abbott, a/k/a Patty Abbott , George E. Lee and High Valley Ranch Properties, LLC (Chino Valley, Prescott)

File No. 05F-DI-045-REL, Consent Order 9/20/2004
Abbott, a real estate salesperson for High Valley Ranch, submitted a renewal application in August and disclosed that she had inadvertently continued working as a real estate salesperson after her license expired May 31, 2004 and that High Valley Ranch Properties, for which George Lee is the designated broker, continued to employ and pay Abbott as a real estate salesperson while her license was expired, in violation of A.R.S. §§ 32-2153 (A)(3), (B)(6) and 32-2155(A). Abbott's salesperson's license is renewed and suspended for 21 days and she is assessed a civil penalty of \$1,500. Lee and High Valley Ranch are assessed a civil penalty of \$500.

Nicholas Jay Bosley (Chandler)

File No. 05F-LI-020-REL, Consent Order 10/26/2004
The Department denied Bosley's license application based on a previous denial of licensure in 2000 and 1996 convictions for D.U.I. and Shoplifting and a 1999 D.U.I. conviction under A.R.S. § 32-2153(B)(7) and (10). Bosley appealed the denial and is granted a 2-year provisional license subject to specified terms and conditions.

James Robert Brown (Camp Verde)

File No. 04F-LI-181-REL, Consent Order 9/1/2004
The Department denied Brown's license application under A.R.S. § 32-2153(B)(2), (7), (9) and (10) based on three 1997 shoplifting convictions for incidents in 1993 and 1995. Brown appealed the denial and is granted a 2-year provisional license subject to specified terms and conditions.

Benjamin J. Candler (Tempe)

File No. 04F-LI-187-REL , Consent Order 8/31/2004
The Department denied Candler's license application under A.R.S. § 32-2153 (B)(7) based on a 2002 Driving Under the Influence misdemeanor conviction and 2000 D.U.I. misdemeanor conviction. Candler appealed the denial and is granted a 2-year provisional license subject to specified terms and conditions.

Steven Michael Fey (Phoenix)

File No. 05F-LI-007-REL, Consent Order 10/15/2004
The Department denied Fey's late-filed renewal application under A.R.S. § 32-2153(B)(1) and (3) based on a 2003 conviction for Possession or Use of Drug Paraphernalia, designated a misdemeanor, and 2000 Consent Order with the Department for having previously filed a false or misleading application. Fey appealed the denial and is granted a 2-year provisional license subject to specified terms and conditions.

James M. Ghigo (Phoenix)

File No. 04F-LI-174-REL, Consent Order 8/2/2004
The Department denied Ghigo's license application under A.R.S. 32-2153 (B)(2) and (7) based on a 1993 conviction for Possession of Marijuana and his violation of the terms of his probation resulting in the offense being designated a felony in 1994. Ghigo appealed the denial and is granted a 2-year provisional license subject to specified terms and conditions.

Joan Paula Hoff (Chandler)

File No. 04F-LI-171-REL, Consent Order 8/21/2004
The Department denied Hoff's license application under A.R.S. § 32-2153 (B)(2), (7) and (10) based on a 1996 misdemeanor conviction for theft. Hoff appealed the denial and is issued a 2-year provisional license subject to specified terms and conditions.

Holly R. Jordan (Humboldt)

File No. 04F-LI-197-REL, Consent Order 9/14/2004
The Department denied Jordan's license application under A.R.S. § 32-2153 (B)(7) based on a 2003 misdemeanor conviction for Possession of Drug Paraphernalia. Jordan appealed the denial and is issued a 2-year provisional license subject to specified terms and conditions.

Shenandoah Korn f/k/a Shenandoah Harvey (Gold Canyon)

File No. 04F-LI-196-REL, Consent Order 9/16/2004
The Department denied Korn's license application under A.R.S. § 32-2153 (B)(2), (7) and (10) based on a 1989 felony conviction for Robbery. Korn appealed the denial and is issued a 2-year provisional license subject to specified terms and conditions.

Robert A. Macon (Scottsdale)

File No. 04F-LI-201-REL, Consent Order 10/20/2004

The Department denied Macon's renewal application under A.R.S. §32-2153 (A)(3) and (B)(7), and A.A.C. R4-28-301 (F) based on his failure to disclose to the Department within 10 days two 2002 misdemeanor convictions for Aggravated Driving While Under the Influence of Intoxicating Liquor or Drugs. Macon's renewal application is granted, he is issued a 2-year provisional license subject to specified terms and conditions, and he is assessed a \$1,000 civil penalty.

Michael D. Maeser, Gary Call and Gary Call Real Estate, Inc. (Chandler)

File No. 05F-DI-049-REL, Consent Order 9/13/2004

Maeser, a real estate salesperson for Gary Call Real Estate, submitted a renewal application in August and disclosed that he had inadvertently continued working as a real estate salesperson after his license expired May 31, 2004 and that Gary Call Real Estate, for which Gary Call is the designated broker, continued to employ and pay Maeser as a real estate salesperson while his license was expired, in violation of A.R.S. §§ 32-2153 (A)(3), (B)(6) and 32-2155(A). Maeser's salesperson's license is renewed (effective 9/18/2004) and he is assessed a civil penalty of \$1,000. Call and Gary Call Real Estate are assessed a civil penalty of \$500.

New Visions Enterprises, LLP, dba Help-U-Sell New Visions Realty and Peregrin "Perry" Mele (Sierra Vista and Tucson)

File No. 05F-LI-056-REL, Consent Order 10/18/2004

Mele, designated broker for New Visions, submitted a renewal application for New Visions' real estate broker's license in August and disclosed that New Visions and its employees had inadvertently continued to conduct activities requiring licensure after the employing broker's license expired on May 31, 2004, in violation of A.R.S. §§ 32-2153 (A)(3), (B)(6) and 32-2155 (A). Mele's and New Visions' broker's licenses are suspended for 35 days (9/23/2004 - 10/28/2004) and they are assessed a civil penalty of \$2,000.

G. Roberta Pratt a/k/a Bobbie Pratt and Land Masters, Inc.

File No. 05F-DI-044-REL, Consent Order 9/13/2004
Pratt, designated broker for Land Masters, submitted a renewal application for Land Masters' real estate broker's license in July and disclosed that Land Masters and its employees had inadvertently continued to conduct activities requiring licensure after the employing broker's license expired on March 31, 2004, in violation of A.R.S. §§ 32-2153 (A)(3), (B)(6) and 32-2155 (A). Pratt's and Land Master's broker's licenses are suspended for 35 days (7/27/2004 - 8/31/2004) and they are assessed a civil penalty of \$2,000.

Samir B. Tleel, Jr. (Phoenix)

File No. 05F-LI-021-REL, Consent Order 9/8/2004
The Department denied Tleel's license application under A.R.S. § 32-2153 (B)(7) and (10) based on disciplinary action taken by the Texas Real Estate Commission for Tleel's violation of Texas real estate law. Tleel appealed the decision and is granted a 2-year provisional license subject to specified terms and conditions.



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