

***Annual Report
Fiscal Year 2009***

REAL ESTATE COMMISSION

July 2009



**DIVISION OF CORPORATIONS BUSINESS AND
PROFESSIONAL LICENSING**

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**REAL ESTATE COMMISSION
IDENTIFICATION OF BOARD
(As of March 2009)**

Name Mailing Address E-mail Address	Judicial District / Phone		Fax	Term Expires
	Work	Home		
Brad Cole Keller Williams Realty AK Group Kristan Cole Team Branch 5131 E. Mayflower Lane Wasilla, AK 99654 E-mail: brad@bradfordcole.com	Associate Broker / 3 rd Judicial District 373-3575(ofc) 376-0270 (direct) 232-1695 (cell)		376-6515	March 1, 2011
F. Lee Sherman 4361 South Santana Dr. Wasilla, AK 99654 E-mail: floyd.sherman@alaska.gov	Public Member 761-5625 (ofc) 382-0332 (cell)			March 1, 2011
David Somers Somers & Associates 711 Gaffney Road, Suite 100 Fairbanks, AK 99701-4662 E-mail: dsomers@alaska.net	Broker / Broker at Large 456-7653 (ofc) 388-7653 (cell)		456-7650	March 1, 2011
Gene DuVal ReMax Associates of Fairbanks PO Box 73404 Fairbanks, AK 99707 E-mail: duval@gci.net	Associate Broker / 4 th Judicial District 452-4363		452-1499	March 1, 2013
Nancy Davis Davis Realty 104 Lake Street Sitka, AK 99835 E-mail: ndavis@gci.net	Broker / 1 st Judicial 747-1032		747-1035	March 1, 2013
Christina E. Swires ReMax Properties, Inc. 4042 Kingston Drive Anchorage, AK 99504 E-mail: cswires@remax.net	Associate Broker /Broker at Large 276-2761 338-8292 (cell)		276-4429 338-8980	March 1, 2012
Barbara A. Dickson 241 Skyhaven Cir. Anchorage, AK 99504 E-mail: badickson@gci.net	Public Member 729-3585			March 1, 2011

Name Mailing Address E-mail Address	Judicial District / Phone		Fax	Term Expires
	Work	Home		

STAFF

Sharon J. Walsh
 550 West 7th Avenue, Suite 1950
 Anchorage, AK 99501-3567
 Email:
sharon.walsh@alaska.gov

Executive Administrator

269-8197

269-1066

Nancy A. Harris
 550 West 7th Avenue, Suite 1950
 Anchorage, AK 99501-3567
 Email:
nancy.harris@alaska.gov

Project Assistant

269-8168

269-1066

Beata Smith
 550 West 7th Avenue, Suite 1950
 Anchorage, AK 99501-3567
 E-mail:
beata.smith@alaska.gov

Licensing Examiner

269-8162

269-1066

Michele Wall-Rood
 550 West 7th Avenue, Suite 1500
 Anchorage, AK
 99501-3567
michele.wallrood@alaska.gov

Investigator

269-8186

269-8195

ALASKA REAL ESTATE COMMISSION

NARRATIVE STATEMENT

Mission Statement of the Alaska Real Estate Commission:

The mission of the Alaska Real Estate Commission is to protect the public interest by licensing practitioners and enforcing the established standards, to promote professional excellence in the real estate industry and to support and encourage licensees.

Real Estate Commission Legislation

HB129 was signed by Governor Palin in June 2009. This legislation extends the Alaska Real Estate Commission's authority to revoke the license of a salespersons convicted of certain crimes.

Legislative Recommendations for FY10- The Real Estate Commission does not have any stated recommendations for the Legislature at this time.

Real Estate Regulations

The Commission worked on a variety of new and existing regulations and repealed one.

New regulation:

Personal Real Estate Transactions of Real Estate Licensee 12 AAC 64.961
Closing an Office 12 AAC 64.111

Revised regulations:

Requirements for Establishing and Maintaining an Office 12 AAC 64.110
(a) and (g)
Establishment of a Trust Account 12 AAC 64.180
License By Endorsement 12 AAC 64.061(c)
Legal Entities 12 AAC 64.068
Property Management of Real Property 12 AAC 64.570(a) and (f)

Repealed regulation:

Rescoring –repealed 4/24/09

Regulation Recommendations for FY10- will be assessed by the Commission on a continual basis throughout the year.

**ALASKA REAL ESTATE COMMISSION
NARRATIVE STATEMENT, continued**

Surety Fund Report

There were 7 surety fund claims filed within the year. The total payout of all claims for the 2009 fiscal year was \$15,000.00
7 of the Surety Fund claims filed allege fraud and misrepresentation; 5 allege deceit and 3 allege conversion of trust funds.
0 claims were withdrawn; 2 were denied by the Real Estate Commission; 1 is pending for a decision by the Commission at the December 2009 meeting and 2 have yet to be heard by the Office of Administrative Hearings. 2 cases are currently stayed pending an outcome in Civil Court slated for hearing 1/15/2010.

Continuing Education

We offer 205 approved elective continuing education courses; 38 designated continuing education courses. 7 approved Prelicensing, 8 Broker Training and 45 Post-Licensing courses. New licensees are required to complete 30 hours of post-licensing education within 12-months of receiving their initial license. All licensees are required to complete 20 hours of continuing education which are comprised of 12 elective and 8 designated continuing education credits. There are currently 100 approved instructors.
Our goal is to continue to increase our offering of online classes throughout the next fiscal year. This is especially important to our licensees outside the urban areas of the state.

Goals and Objectives for FY09

The Commission worked to increase better communication with the assigned Real Estate Investigator(s) in the Division of Corporations, Business and Professional Licensing. The Commission is now provided with a list of information on the types of calls the Investigator receives. The Commission is committed to actively maintaining a focus on current industry issues and applying relevant education goals to the licensees to insure effectiveness in their business practice.

ALASKA REAL ESTATE COMMISSION
NARRATIVE STATEMENT, continued

Goals and Objectives for FY10

The Commission would like to see completion of the trust account audits and report on the findings and make necessary recommendations.

Reduction of the backlog in Investigative cases; consider the use of fines and sanctions to apply to certain instances of licensure violations.

Consumer information and resource guides will continue to be added and updated to the Commissions web site. Forms will continue to be made more user friendly and interactive.

Continue to keep licensees updated through the use of our ListServ, newsletter and web site on changes made to regulations, forms or education courses.

Continuing Education will remain a priority for the Commission especially through the renewal year. The Commission and it's staff continues to encourage real estate professionals and affiliated professionals in the industry to consider instructing a course. The Commission is interested in providing for a broad range of continuing education courses that are relevant to real estate topics listed in the regulations.

Continue to promote a Commission and industry relationship with the Alaska Association of Realtors and the national organization of the Association of Real Estate License Law Officials (ARELLO).

Ensure resources are available to maintain an effective operational structure so that the Commission can meet its statutory authority to provide for real estate licensees.

FISCAL YEAR 2009 STATISTICAL OVERVIEW

Program: Alaska Real Estate Commission

AS 08.88

12 AAC 64.

Name of Individual Completing Report: Beata Smith

Date: June 30, 2009

CATEGORY	NEW – ISSUED DURING FY 2009	TOTAL AS OF 6/30/2009	EXAMINATION/ CREDENTIAL
A. Current Active Licenses, Endorsements, Permits (student, locum tenens, limited), Courtesy Licenses. (Do not list “temporary permits” or “temporary licenses”) List type and if issued by examination or credential, as applicable			
1. Salesperson	134	1449	
2. Associate broker	13	401	
3. Broker	7	483	
4. Limited		5	
5. Salesperson (exam)			129
6. Associate Broker (exam)			10
7. Broker (exam)			5
8. Salesperson (endorsement)			5
9. Associate Broker (endorsement)			3
10. Broker (endorsement)			2
TOTAL	154	2338	154

**B. Current Inactive Licenses (not lapsed licenses)
(Only Medical, Chiropractic, CPA, and Real Estate)**

CATEGORY	TOTAL AS OF 6/30/2009	EXAMINATION/ CREDENTIAL
1. Salesperson	98	
2. Associate broker	19	
3. Broker	5	
4.		
5.		
TOTAL	122	

CATEGORY	RETIRED DURING FY 2009	TOTAL AS OF 6/30/2009	NOTES
C. Retired Licenses			
1. n/a			
2.			
TOTAL			

D. Examination Dates

(List each examination administration separately. Subdivide if more than one exam is given in administration.)

EXAM TYPE	LOCATION	DATE	CANDIDATES	NO. PASSED	NO. FAILED
n/a					

E. Board Meetings and Teleconferences

DATE	LOCATION (<i>indicate if teleconference</i>)
July 29, 2008 (teleconference)	Anchorage, AK
October 10, 2008 (teleconference)	Anchorage, AK
June 3, 3009 (teleconference)	Anchorage, AK
December 11-12, 2008	Anchorage, AK
September 15-16, 2008	Wasilla, AK
March 12-13, 2009	Juneau, AK
June 18-19, 2009	Anchorage, AK

2009 Case No.	Claim Amount	Recv'd in REC ofc	Fwd to OAH	Action	Pd Out in FY09	Comment-Pymnt/int/ date	Amt. Paid Out of SF	Allegation	Final Decision	Total Amt of Potential Liability
S-29-001	\$4K-6K	8/1/2008	8/13/2008	Adopted Proposed Decision 3/18/09	0	ALJ Whitney	0	F	Denied claim	0.00
S-29-002	17,600.00	9/10/2008	10/13/2008	Stayed pending outcome of civil lit. status conf will be held 3/18/2009		Reassigned to ALJ Whitney		F, D, M, CTF		15,000.00
S-29-003	10,000.00	9/10/2008	10/13/2008	Stayed pending outcome of civil lit. status conf will be held 1/15/2010		Reassigned to ALJ Whitney		F, D, M, CTF		10,000.00
S-29-004	2,007.43	10/10/2008		Adopted Proposed Decision 6/19/09	0	ALJ Hemenway	0	F, D, M	Denied claim	0.00
S-29-005	15,000.00	3/20/2009	4/27/2009	Assigned to ALJ Whitney in JNO		ALJ Whitney		F, D, M		15,000.00
S-29-006	10,000.00	6/8/2009	6/30/2009	Assigned to ALJ Whitney in JNO		ALJ Whitney		F, D, M		10,000.00
S-29-007	Not disclosed on claim	6/12/2009	7/23/2009	Assigned to ALJ Hemenway		ALJ Hemenway		F, D, M		15,000.00

REC
Surety Fund Claim Statistics
FY 2009

2008 Case No.	Claim Amount	Recv'd in REC ofc	Fwd to OAH	Action	Pd Out in FY	Comment-Pymnt/int/date	Amt. Paid Out of SF	Allegation	Final Decision	Total Amt of Potential Liability
S-28-001	3,420.00	7/6/2007	N/A	Withdrawn claim before going to OAH 7.31.2007	FY08	Refund filing fee \$250.00 Warrant #22735920 10.22.2007	250.00	F	Withdrawn by claimant 7/31/2007	
S-28-002	15,000.00	8/6/2007	8/22/2007	Adopt Proposed Decision 3/13/2008	0	Assigned to Judge Stanley	0	M	Denied by REC 3.13.2008	
S-28-003	4,000.00	8/29/2007	9/20/2007	Adopt Proposed Decision 6/19/2008	0	Assigned to Judge Kennedy	0	F,M,D	Denied claim by REC 6.20.2008	
S-28-004	14,656.00	9/6/2007	9/27/2007	Withdrawn claim @ OAH 11/02/2007	FY08	Refund filing fee \$250.00 Warrant #22805054 12.31.2007	250.00	F, M	Withdrawn by claimant 11/02/2007	
S-28-005	14,466.00	9/6/2007	9/28/2007	Withdrawn claim @ OAH 11/02/2007	FY08	Refund filing fee \$250.00 Warrant #22805054 12.31.2007	250.00	F, M	Withdrawn by claimant 11/02/2007	
S-28-006	24,000.00	1/17/2008	2/15/2008	Order of Dismissal 3/26/2008	0	Notice of Assignment ALJ Hemenway-JNO	0	D, CTF	Dismissed at Preconf. Hearing	
S-28-007	20,000.00	4/14/2008	5/12/2008	Adopted Proposed Decision 9/15/08	0	Notice of Assignment ALJ Stanley 5/15/08		F, M, D	Denied claim by REC 9.15.2008	
S-28-008	440,000.00	4/29/2008	6/4/2008	Adopted Proposed Decision 9/15/08	FY09	Refund filing fee \$250 and SF pymnt of \$15K Warrant #23171554 10/15/08	15,250.00	F, M	Pay Claimant \$15,250.00 per REC on 9/15/08 Mtg min.	15,000.00
S-28-009	15,000.00	6/6/2008	6/30/2008	Order of Dismissal 10/24/2008	FY09	Refund filing fee \$250.00 warrant #23336621 3/3/2009	250.00	F, M	Dismissed	
S-28-010	38,000.00	6/26/2008	7/9/2008	Adopted Proposed Decision 12/ 11/2008	0	ALJ Kennedy		D	Denied claim/beyond stat. of lmts.	
S-28-011	13,006.67	6/24/2008	7/28/2008	Memorandum and Order of Dismissal 10/20/08	FY09	Refund filing fee \$250.00 Warrant #23223160	250.00	F, M, D	Dismissed by both parties	
S-28-012	9,006.67	6/24/2008	7/28/2008	Memorandum and Order of Dismissal 10/20/08	FY09	Refund filing fee \$250.00 Warrant #23223160	250.00	F, M, D	Dismissed by both parties	
S-28-013	9,006.67	6/24/2008	7/28/2008	Memorandum and Order of Dismissal 10/20/08	FY09	Refund filing fee \$250.00 Warrant #23223160	250.00	F, M, D	Dismissed by both parties	

REC
Surety Fund Claim Statistics
FY 2008

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S-28-001	3,420.00	7/6/2007	N/A	Withdrawn claim before going to OAH 7.31.2007	FY08	Refund filing fee \$250.00 Warrant #22735920 10.22.2007	250.00	F	Withdrawn by claimant 7/31/2007	-
S-28-002	15,000.00	8/6/2007	8/22/2007	Adopt Proposed Decision 3/13/2008	0	Assigned to Judge Stanley	0	M	Denied by REC 3.13.2008	-
S-28-003	4,000.00	8/29/2007	9/20/2007	Adopt Proposed Decision 6/19/2008	0	Assigned to Judge Kennedy	0	F,M,D	Denied claim by REC 6.20.2008	-
S-28-004	14,656.00	9/6/2007	9/27/2007	Withdrawn claim @ OAH 11/02/2007	FY08	Refund filing fee \$250.00 Warrant #22805054 12.31.2007	250.00	F, M	Withdrawn by claimant 11/02/2007	-
S-28-005	14,466.00	9/6/2007	9/28/2007	Withdrawn claim @ OAH 11/02/2007	FY08	Refund filing fee \$250.00 Warrant #22805054 12.31.2007	250.00	F, M	Withdrawn by claimant 11/02/2007	-
S-28-006	24,000.00	1/17/2008	2/15/2008	Order of Dismissal 3/26/2008	0	Notice of Assignment ALJ Hemenway-JNO	0	D, CTF	Dismissed at Preconf. Hearing	-
S-28-007	20,000.00	4/14/2008	5/12/2008	Adopted Proposed Decision 9/15/08	0	Notice of Assignment ALJ Stanley 5/15/08	0	F,M,D	Denied claim by REC 9.15.2008	-
S-28-008	440,000.00	4/29/2008	6/4/2008	Adopted Proposed Decision 9/15/08	FY09	Refund filing fee \$250 and SF pymnt of \$15K Warrant #23171554 10/15/08	15,250.00	F, M	Pay Claimant \$15,250.00 per REC on 9/15/08 Mtg min.	15,000.00
S-28-009	15,000.00	6/6/2008	6/30/2008	Order of Dismissal 10/24/2008	FY09	Refund filing fee \$250.00 warrant #23336621 3/3/2009	250.00	F, M	Dismissed Denied	-
S-28-010	38,000.00	6/26/2008	7/9/2008	Adopted Proposed Decision 12/ 11/ 2008	0	ALJ Kennedy	0	D	Dismissed by claim/beyond stat. of lmts.	-
S-28-011	13,006.67	6/24/2008	7/28/2008	Memorandum and Order of Dismissal 10/20/08	FY09	Refund filing fee \$250.00 Warrant #23223160	250.00	F, M, D	Dismissed by both parties	-
S-28-012	9,006.67	6/24/2008	7/28/2008	Memorandum and Order of Dismissal 10/20/08	FY09	Refund filing fee \$250.00 Warrant #23223160	250.00	F, M, D	Dismissed by both parties	-
S-28-013	9,006.67	6/24/2008	7/28/2008	Memorandum and Order of Dismissal 10/20/08	FY09	Refund filing fee \$250.00 Warrant #23223160	250.00	F, M, D	Dismissed by both parties	-

REC
Surety Fund Claim Statistics

FY 2008

**Real Estate Commission
Pearson Vue Statistics
Pass/Fail Rates FY 2009**

Salesperson-new	Passd	Failed	Total	% Passing
Jul-08	12	9	21	57%
Aug-08	9	6	15	60%
Sep-08	2	5	7	29%
Oct-08	7	8	15	47%
Nov-08	11	9	20	55%
Dec-08	9	8	17	53%
Jan-09	3	7	10	30%
Feb-09	5	5	10	50%
Mar-09	7	5	12	58%
Apr-09	13	9	22	59%
May-09	7	16	23	30%
Jun-09	6	5	11	55%
Sub-total	91	92	183	50%
Salesperson - repeat				
Jul-08	9	6	15	44%
Aug-08	3	6	9	33%
Sep-08	2	2	4	50%
Oct-08	5	9	14	36%
Nov-08	3	6	9	33%
Dec-08	2	6	8	25%
Jan-09	3	9	12	25%
Feb-09	2	14	16	13%
Mar-09	4	12	16	25%
Apr-09	6	16	22	27%
May-09	6	10	16	38%
Jun-09	6	6	12	50%
Sub-total	51	102	153	33%
Total for Year	142	194	336	42%
Broker - new				
Jul-08	3	2	5	100%
Aug-08	2	3	5	40%
Sep-08	2	2	4	50%
Oct-08	4	0	4	100%
Nov-08	1	0	1	100%
Dec-08	1	1	2	50%
Jan-09	0	1	1	0%
Feb-09	3	1	4	75%
Mar-09	2	0	2	100%
Apr-09	2	0	2	100%
May-09	2	0	2	100%
Jun-09	1	3	4	25%
Sub-total	23	13	36	64%

**Real Estate Commission
Pearson Vue Statistics
Pass/Fail Rates FY 2009**

Broker - repeat				
Jul-08	0	4	4	0%
Aug-08	1	1	2	50%
Sep-08	0	1	1	0%
Oct-08	1	1	2	50%
Nov-08	1	1	2	50%
Dec-08	2	7	9	22%
Jan-09	0	1	1	0%
Feb-09	0	1	1	0%
Mar-09	1	3	4	25%
Apr-09	1	6	7	14%
May-09	1	1	2	50%
Jun-09	2	1	3	67%
Sub-total	10	28	38	26%
Total for Year	33	41	74	45%

**FY09
REAL ESTATE COMMISSION
STATISTICAL EDUCATION REPORT**

<u>Course Type</u>	<u>New Courses</u>	<u>Approved Total</u>
Pre Licensing	1	7
Broker Training	0	8
Elective Continuing Education (ECE)	77	205
Designated Continuing Education (DCE)	24	38
Post Licensing Education (PLE):	16	45
Sales	(11)	(39)
Associate Broker/Broker	(5)	(6)
Total Approved:	118	303

<u>Instructors Approved</u>	<u>Initial Approval</u>	<u>Recertification</u>	<u>Total</u>
Permanent	32	59	91
Temporary	9	0	9
Total Approved:			100

ALASKA REAL ESTATE COMMISSION

Budget Recommendations for FY2010:

The Real Estate Commission anticipates no requests for out of country travel in FY2010 and does not foresee any requests for special projects funding.