



Oklahoma Real Estate **Commission Comment**

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License Renewal Notices Going to Postcards

Within the next few months the Commission will be implementing a few changes. We will begin mailing out postcards, instead of letters, informing you of your license renewal. Notices are mailed out 45 days prior to your license expiration so you can complete your final hours of continuing education and renew your license on time so as to avoid excessive license expiration penalties. However, if you desire to renew your license earlier, you may renew your license up to ninety (90) days prior to your license expiration. The postcard notices will provide you with three (3) options in which to renew. A sample of the postcard is on last page of this issue.

The online license renewal process is very simple and streamlined and you will be able to renew your license without having your continuing education completed (the option of renewing online without continuing education will not be available until you receive a post card notice). However, if you pay for an active license and you fail to complete your continuing education by your license expiration date, the Commission will renew your license inactive and you will be required to submit additional form(s) and fee(s) to reactivate.

Please contact the Commission if you experience any problems with the online license renewal process as it is our goal to provide you efficient and user-friendly services.

Change of Personal Information and Email Authorization

Another new feature of our online services that will be available in the next few months is the module that will allow you to update your personal contact information at any time during the year. Currently you can only update such information at the same time as you process a license renewal. Personal contact information consists of personal residence address and contact phone number(s), and personal email address.

We encourage you to use this system as it will allow you to keep your personal contact information at the Commission current. This is extremely important when the Commission needs to send special notices to your residence address, i.e., a broker releases you — the Commission sends a notice to your last known residence address; or you are placed inactive for failing to comply with certain requirements — anytime you are placed inactive, the opportunity exists for you to be performing licensed activities without an active license thus requiring the opening of a formal complaint case against the you and your broker.

Finally, another addition to the module is the authorization by you to allow the Commission to send you an email

advising you of your upcoming license renewal — this will be in addition to your postcard notice. When you input your personal email address into the module, there will be a question asking you if you want the Commission to also notify you by email of important Commission notices.

Note: *If you are licensed under a sponsoring broker, all of your mail is sent to the sponsoring broker's office address.*

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The Oklahoma Real Estate
Commission Comment

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Address all communications to the
Commission Office

"Use your zip code and ours
when you write to us"

BY ORDER OF THE COMMISSION
DISCIPLINARY ACTIONS AS OF
MAY 2010

OCTOBER 2009

A-2009-069 – JORGE A. GAMBOA (SA) – OKLAHOMA CITY (KISNER): POSSIBLE violations by Respondent:

Title 59 O.S. §858-312, Subsections 6, 8, 9 and 16 and Rules 605:10-13-2(1) and 605:10-17-4(12), in that he may have failed to turn over earnest money and transaction fees to his broker and converted said funds to his own personal use.

The Commission ordered that the sales associate license of Jorge A. Gamboa shall be placed on summary suspension until otherwise ordered.

NOVEMBER 2009

C-2008-014 – SANDRA LYNN SULLIVAN (SA) – CHOUTEAU: Violations by Respondent: Title 59 O.S. §858-312, Subsections 8, 9 and 19.

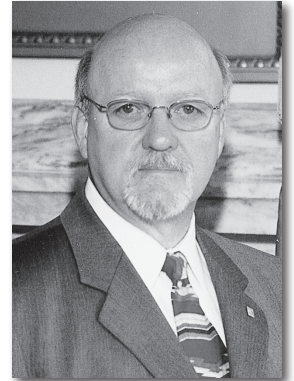
Consented: Respondent Sandra L. Sullivan consented to the following terms:

1) Continuing to make timely restitution payments as ordered by the District Court of Mayes County, State of Oklahoma;

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Chairman's Corner

It's hard to believe its been a year since being named the chairman and what an eventful year it has been: 1) increased foreclosures and short sales; 2) the decline in the number of licensees and new applicants; and 3) reduced cash flow and budgets. We are in the renewal period for the big influx of applicants that tested before the number of hours changed in 2006. The provisional sales who were issued a license then will now be renewing their second license; it will be interesting to see how many have remained in the business.



Martin VanMeter

Property management complaint cases are on the rise and are proving to cause the greatest harm (monetarily) to the homeowner. This occurs due to the funds of the homeowner (rents, security deposits, maintenance repair funds, etc.) being commingled by the licensee, or the licensee preparing false maintenance repairs, etc. Managing brokers are prohibited from allowing an associate to perform property management outside their sponsorship. Further, an associate is not allowed to enter into a property management agreement in their own name. The Code and Rules do not allow an associate to open or maintain a trust/escrow account or even be a signer on a trust account if it is outside the sponsorship and supervision of a real estate brokerage. Only a broker manager or a proprietor broker can maintain a trust/escrow account which must be registered with the Commission.

The Contract Forms Committee is hard at work developing new forms (Lease Agreement, Farm and Ranch Contract, Assumption Addenda, Owner Carry Addenda, etc). We have completed our review of your suggestions and comments regarding the forms and the Commission very much appreciates your input into this process.

I want to personally thank Contract Chairman John Mosley as he does an excellent job keeping the committee on track and calming the waters at times, if you know what I mean..... I also want to recognize the other members of the group: Representatives of the Bar Association are John Munkacsy (Lawton), Vic Kennemer (Wewoka) and Bob Nichols (Tulsa); Representatives of the Oklahoma Association of Realtors are Barbara Morton (Tulsa), Dick Ruprecht (Tulsa), Terry Pufahl (Oklahoma City), John Jones (Lawton), and Andy Newman (Norman), Representatives of the Real Estate Commission are Bud Engstrom (Tulsa), John Mosley (Chickasha) and myself (Durant). In addition, we need to recognize the Commercial Subcommittee members who drafted the commercial contracts and addenda: Bob Duncan (Tulsa), Johnny Owens (Lawton) and Harrison Levy (Oklahoma City). All members are to be commended for their volunteer commitment and dedication to the real estate industry and to the consumers of this State.

I will end on a good note, so have a great year and may all your listings sell and all buyers qualify.

Martin Vanmeter, CRB
Chairman

New EPA Rule on Pre-1978 Homes That are Renovated, Repaired, and Painted

Beginning April 2010, contractors who perform renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must be certified and must follow specific work practices to prevent lead contamination.

If a homeowner performs renovation, repair, or painting work on their own residence, EPA's RRP rule does not apply to them; however, the rule would apply if the home they are repairing will be rented out to a tenant.

The rule was promulgated by the EPA because common renovation activities like sanding, cutting, and demolition can create hazardous lead dust and chips by disturbing lead-based paint, which can be harmful to adults and children.

This new EPA rule will require that firms and/or an owner, if applicable, performing renovation, repair, and painting projects that disturb lead-based paint in pre-1978 homes, child care facilities and schools be certified by EPA and that they use certified renovators who are trained by EPA-approved training providers to follow lead-safe work practices.

Individuals can become certified renovators by taking an eight-hour training course from an EPA-approved training provider. Requirements on how to become certified can be found at www.epa.gov/opptintr/lead/pubs/toolkits.htm

Under the rule, child-occupied facilities are defined as residential, public or commercial buildings where children under age six are present on a regular basis.

The rule does not apply to minor maintenance or repair activities where less than six square feet of lead-based paint is disturbed in a room or where less than 20 square feet of lead-based paint is

disturbed on the exterior. Window replacement is not considered as minor maintenance or repair.

Information for Homeowners Working at Home

If a homeowner performs renovation, repair, or painting work in their own home, EPA's RRP rule does not cover their project; however, the rule would apply if the home they are repairing will be rented out to a tenant. If a homeowner is planning to do painting or repairs, please read a copy of EPA's *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and Schools* which can be found at www.epa.gov/opptintr/lead/pubs/renovaterightbrochure.pdf. They may also want to call the National Lead Information Center at 1-800-424-LEAD (5323) and ask for more information on how to work safely in a home with lead-based paint.

Information for Property Owners of Rental Housing, or Child-Occupied Facilities

Property owners who renovate, repair, or prepare surfaces for painting in pre-1978 rental housing or space rented by child-care facilities must, before beginning work, provide tenants with a copy of EPA's lead hazard information pamphlet *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and Schools* which can be found at www.epa.gov/opptintr/lead/pubs/renovaterightbrochure.pdf.

Owners of these rental properties must document compliance with this requirement; EPA's sample pre-renovation disclosure form may be used for this purpose. This form can be found at www.epa.gov/lead/pubs/pre-renovationform.pdf.

After April 22, 2010, property owners who perform these projects in pre-1978 rental housing or space rented by child-care facilities must be certified and must follow the lead-safe work practices required by EPA's Renovation, Repair and Remodeling rule. To become certified, property owners must submit an application for firm certification and fee payment to EPA. This application can be found at www.epa.gov/opptintr/lead/pubs/firmapp.pdf. The Agency has up to 90 days after receiving a complete request for certification to approve or disapprove the application.

Information for Tenants and Families of Children under Age 6 in Child Care Facilities and Schools

As a tenant or a parent or guardian of children in a child care facility or school, you should know your rights when a renovation job is performed in your home, or in the child care facility or school that your child attends.

- Before starting a renovation in residential buildings built before 1978, the contractor or property owner is required to have tenants sign a pre-renovation disclosure form which indicates that the tenant received the Renovate Right lead hazard information pamphlet.
- The contractor must also make renovation information available to the parents or guardians of children under age six that attend child care facilities and schools, and to provide to owners and administrators of pre-1978 child care facilities and schools to be renovated

Governor Re-Appoints Two Oklahoma Real Estate Commissioners



Charles Barnes

On May 3, 2010, the Oklahoma State Senate approved and confirmed the continuing appointment of Oklahoma Real Estate Commissioner Chairman Martin Van Meter (Durant) and Commissioner Charles Barnes (Choctaw). Both members will serve a four year term until July 1, 2014.

Commissioner Chairman Van Meter, a native of Calera, Oklahoma, is the Broker Manager of Coldwell Banker VanMeter Select real estate, with offices

in Durant and Lake Texhoma.

Commissioner Barnes, who was born and raised in the Oklahoma City area, began his real estate career in 1971, and established the Charles Barnes School of Real Estate in 1978. The school is currently located in Moore, Oklahoma.

a copy of EPA's Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and Schools lead hazard information pamphlet.

Information for Licensees

Licensees should make themselves aware of the requirements in the Lead Renovation, Repair and Painting (RRP) Rule. EPA is working closely with the National Association of Realtors to assist in the awareness of the hazards of lead paint poisoning and ways to prevent it. The association has developed a series of guidance videos:

- View the National Association of Realtors at www.realtor.org/government_affairs/lead_paint_main
- View the National Association of Realtors at www.realtor.org/government_affairs/lead_paint_realtors
- View the National Association of Realtors at www.realtor.org/government_affairs/lead_paint_realtors_faq
- View the National Association of Realtors at www.realtor.org/government_affairs/lead_paint_property_manager_faq

Information for Locating Certified Renovation Firms

Further, if you are trying to locate a renovation firm that is certified in your area, go to www.epa.gov/lead and look to the right for the LEAD-SAFE CERTIFIED FIRM logo. Under this area you can enter a zip code or city and obtain a listing of certified firms who are eligible to perform the necessary repair(s).

Information for Contractors

Federal law now requires that contractors be certified and use lead-safe work practices. To become certified, renovation contractors must submit an application for firm certification and fee payment to EPA.

Contractors who perform renovation, repairs, and painting jobs in pre-1978 housing and child-occupied facilities must, before beginning work, provide owners, tenants, and child-care facilities with a copy of EPA's lead hazard information pamphlet Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and Schools. Contractors must document compliance with this requirement and EPA's pre-renovation disclosure form may be used for this purpose. The form can be found at www.epa.gov/opptintr/lead/pubs/pre-renovationform.pdf.

Upon receipt of an application to EPA has up to 90 days after receiving a complete request for certification to approve or disapprove the application.

The Commission has added a link to its home page website – right margin, for your convenience. These include how to become Lead-Safe Certified; Accredited training providers near you; certified contractors near you; questions and answer section, etc. Please take note of the link that allows you to personally ask questions of EPA regarding further clarification of these requirements. Additional information regarding these requirement can be found at www.epa.gov/lead.



HIGHLIGHTS OF IMPORTANT RULES CHANGES EFFECTIVE JULY 1, 2010

Managing/Supervising Brokers Must Take a “Broker in Charge” Course Prior to June 30, 2012 License Renewal Rule 605:10-3-6. Continuing education requirements

(1) **Required number of continuing education hours.** The required number of continuing education hours for a licensee shall be as follows:

(5) Any Broker who holds or has held A license who maintains the a license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) during any portion of a their current license term shall be required to successfully complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours, or its equivalent, as approved by the Commission, each license term beginning with those licenses that expire on June 30, 2012. In addition, to complete the continuing education requirement of twenty-one (21) clock hours such broker shall complete at least two (2) of the four (4) required subject matter, equal to at least six (6) clock hours, as referenced in paragraph (3) of this subsection.

(6) Any broker that lapsed or renewed inactive in their previous license term or current license term who applies for reinstatement or activation after June 30, 2012 and held in their previous or current license term the license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) must complete the Broker in Charge course and two (2) of the four

(4) required subject matter totaling six (6) hours prior to their license being reinstated active or reactivating.

New Requirements for Continuing Education Providers Rule 605:10-5-2. Approval of continuing education offerings

(g) **Course requirements and limitations.**

(5) days of the completion thereof, submit to the Commission on a form prescribed by the Commission, a list of the names and license numbers of those licensees who successfully completed the said offering successfully submit to the Commission the list of name(s), license number(s) and other personal identifiers of those licensees who have successfully completed said offering. The information shall be submitted to the Commission by way of electronic format as required by the Commission, along with other information which may reasonably be required.

New Advertising Requirements for Licensees

Rule 605:10-9-4. Advertising

(a) **Requirements and prohibitions.**

(7) **Social networking.** A licensee who is engaged in licensed activities through social networking mediums must indicate

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2010 Legislation Affecting the Industry

SB1765 – Sewage treatment system must be properly sized for residence or business

Amendatory 27A O.S. 2001, Section 2-6-403, is amended to read as follows:

Section 2-6-403. A. No small public sewage treatment system or private individual sewage disposal treatment system shall be constructed or operated unless such system, when constructed, complies with requirements prescribed by the Environmental Quality Board as determined by an inspection performed by the Department of Environmental Quality or a person authorized by the Department.

1. It shall be the duty of the person contracting with an installer who is modifying or installing an on-site sewage treatment system for a residence or business to certify the number of bedrooms in the residence or the water usage of the business that will be served by the sewage treatment system so that the system can be properly sized.

2. Upon reinspection of an approved system, performed at the request of the lot owner, the Department or a person authorized by the Department shall not require that the system be uncovered unless there is evidence that the system has not functioned properly.

B. Any person, corporation or other legal entity which creates or intends to create a residential development outside the corporate limits of a city or town shall file a plat describing the methods of sewage disposal treatment for such residential development with the Department. Approval of the plat shall be obtained prior to recording the plat, offering a lot or lots for sale or beginning construction within such residential development.

1. The plat shall include:

- a. a description of the methods for providing water supply and sewage disposal treatment. If a public water supply or public sewage is to be used, then verification of the preliminary approval from the Department shall be submitted along with the plat,
- b. the actual lot size of each lot in square feet, acres or fractions of acres, and
- c. the location of any public water supply source, including wells and surface water supplies, within three hundred (300) feet of the residential development.

2. Upon approval by the Department, the plat of the residential development shall be imprinted with the stamp of the Department bearing the word "approved", restrictions, if any, signature of the Department or the Department's local representative and the date. Approval of the plat shall be made effective thirty (30) days after the plat is filed with the Department unless specifically rejected prior to the expiration of the said thirty day period of time.

3. The office of county clerk shall not record a plat containing any lot of less than two and one half (2 1/2) acres situated outside the corporate limits of a municipality unless said instrument bears the "approved" stamp of the Department. The Department

shall have no authority to disapprove and shall approve plats of tracts that are being developed for individual residence in which no single tract is less than two and one half (2 1/2) acres, provided that none of the lots are within three hundred (300) feet of a public water supply source.

C. Persons creating or intending to create a residential development, after receiving the stamp of approval from the Department or the Department's local representative, shall file such plat in the land records of the county where the residential development is to be situated.

D. For purposes of this section, "subdivision of land for purposes of a residential development" shall have the same meaning as "subdivision" as defined in Section 863.9 of Title 19 of the Oklahoma Statutes.

E. Any person who knowingly creates a residential development without receiving the approval of the Department or the Department's local representative of a plat or without filing of record a plat in violation of this section, or who installs a private sewage disposal treatment system on a lot for which disapproval of a private sewage disposal treatment system has previously been filed of record shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine of not less than Five Hundred Dollars (\$500.00) nor more than Five Thousand Dollars (\$5,000.00) for each violation.

F. The Department is authorized to use monies other than fees or appropriated funds as such monies may be available to the Department to offer financial assistance to indigent citizens of the State of Oklahoma to reduce the incidence of surfacing sewage in the State of Oklahoma.

It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

The bill was signed by Governor Henry on April 22, 2010 and became effective immediately.

HB2305 – License exemption for management of transient lodging facility

Amendatory 59 O.S. 2001, Section 858-301, as last amended by Section 1, Chapter 174, O.S.L. 2007 (59 O.S. Supp. 2009, Section 858-301), is amended to read as follows:

Section 858-301. It shall be unlawful for any person to act as a real estate licensee, or to hold himself or herself out as such, unless the person shall have been licensed to do so under this Code. However, nothing in this section shall:

1. Prevent any person, partnership, trust, association or corporation, or the partners, officers or employees of any partnership, trustees or beneficiaries of any trust, association or corporation, from acquiring real estate for its own use, nor shall anything in this section prevent any person, partnership, trust, association or corporation, or the partners, officers or employees of any partnership, trustees or beneficiaries of any trust, association

or corporation, as owner, lessor or lessee of real estate, from selling, renting, leasing, exchanging, or offering to sell, rent, lease or exchange, any real estate so owned or leased, or from performing any acts with respect to such real estate when such acts are performed in the regular course of, or as an incident to, the management, ownership or sales of such real estate and the investment therein;

2. Apply to persons acting as the attorney-in-fact for the owner of any real estate authorizing the final consummation by performance of any contract for the sale, lease or exchange of such real estate;

3. In any way prohibit any attorney-at-law from performing the duties of the attorney as such, nor shall this Code prohibit a receiver, trustee in bankruptcy, administrator, executor, or his or her attorney, from performing his or her duties, or any person from performing any acts under the order of any court, or acting as a trustee under the terms of any trust, will, agreement or deed of trust;

4. Apply to any person acting as the resident manager for the owner or an employee acting as the resident manager for a licensed real estate broker managing an apartment building, duplex, apartment complex or court, when such resident manager resides on the premises and is engaged in the leasing of property in connection with the employment of the resident manager;

5. Apply to any person who engages in such activity on behalf of a corporation or governmental body, to acquire easements, rights-of-way, leases, permits and licenses, including any and all amendments thereto, and other similar interests in real estate, for the purpose of, or facilities related to, transportation, communication services, cable lines, utilities, pipelines, or oil, gas, and petroleum products;

6. Apply to any person who engages in such activity in connection with the acquisition of real estate on behalf of an entity, public or private, which has the right to acquire the real estate by eminent domain; or

7. Apply to any person who is a resident of an apartment building, duplex, or apartment complex or court, when the person receives a resident referral fee. As used in this paragraph, a "resident referral fee" means a nominal fee not to exceed One Hundred Dollars (\$100.00), offered to a resident for the act of recommending the property for lease to a family member, friend, or coworker; or

8. Apply to any person or entity managing a transient lodging facility. For purposes of this paragraph, "transient lodging facility" means a furnished room or furnished suite of rooms which is rented to a person on a daily basis, not as a principal residence, for a period less than thirty (30) days.

It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared

to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

The bill was signed by Governor Brad Henry on April 16, 2010 and became effective immediately.

HB 3021 - Landlord and Tenant Act Amended Effective November 1, 2010

Amendatory 41 O.S. 2001, Section 118, is amended to read as follows:

Section 118. A. A landlord shall at all times during the tenancy:

1. Except in the case of a single-family residence, keep all common areas of his building, grounds, facilities and appurtenances in a clean, safe and sanitary condition;

2. Make all repairs and do whatever is necessary to put and keep the tenant's dwelling unit and premises in a fit and habitable condition;

3. Maintain in good and safe working order and condition all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appliances, including elevators, supplied or required to be supplied by him;

4. Except in the case of one- or two-family residences or where provided by a governmental entity, provide and maintain appropriate receptacles and conveniences for the removal of ashes, garbage, rubbish and other waste incidental to the occupancy of the dwelling unit and arrange for the frequent removal of such wastes; and

5. Except in the case of a single-family residence or where the service is supplied by direct and independently metered utility connections to the dwelling unit, supply running water and reasonable amounts of hot water at all times and reasonable heat.

B. The landlord and tenant of a dwelling unit may agree by a conspicuous writing independent of the rental agreement that the tenant is to perform specified repairs, maintenance tasks, alterations or remodeling.

C. Prior to the commencement of a rental agreement, if a landlord knows or has reason to know that the dwelling unit or any part of the premises was used in the manufacture of methamphetamine, the landlord shall disclose this information to a prospective tenant. Provided however, if the landlord has had the level of contamination assessed within the dwelling unit or pertinent part of the premises, and it has been determined that the level of contamination does not exceed one-tenth of one microgram (0.1 mcg) per one hundred square centimeters (100 cm²) of surface materials within the dwelling unit or pertinent part of the premises, no disclosure shall be required.

This act shall become effective November 1, 2010.

The Commission's online version of this pamphlet will be updated accordingly.

The way to gain a good reputation, is to endeavor to be what you desire to appear.

—Socrates

Rules Effective July 1, 2010

Effective July 1, 2010, the following permanent rules will go in effect. Underlined language is new language and hyphenated language is being deleted. The asterisks indicate that existing language exists; however, such was not amended. The License Code and Rules booklet has been updated on the website. If you have questions regarding these rules, please contact the Commission.

TITLE 605. OKLAHOMA REAL ESTATE COMMISSION CHAPTER 10. REQUIREMENTS, STANDARDS AND PROCEDURES

SUBCHAPTER 1. GENERAL PROVISIONS

605:10-1-2. Definitions

“Entity” means association, corporation and partnership.

SUBCHAPTER 3. EDUCATION AND EXAMINATION REQUIREMENTS

605:10-3-2. Application for license

(a) Requirements for completing application.

(1) Any person seeking a real estate license shall make application for such license on _____ a form provided by the Commission. The form shall contain, but not be limited to, the following:

- (A) Legal name to include first, middle and last name.
- (B) Routine biographical information.
- (C) License history in Oklahoma and other states.
- (D) Criminal and/or civil charges or convictions, including bankruptcy and judgments.
- (E) ~~All residential addresses and employment data for past five (5) years. Compliance with Title 59 O.S. 858.301.1 regarding felony convictions.~~

605:10-3-6. Continuing education requirements

(1) **Required number of continuing education hours.** The required number of continuing education hours for a licensee shall be as follows:

- (1) As a condition of a license activation or active reinstatement, each license with an expiration date of June 30, 2005 and thereafter, with the exception of those exempt as set out in Title 59, 858-307.2, shall provide evidence of completion of twenty-one (21) clock hours of Commission approved subject matter, or its equivalent, as determined by the Commission. Such hours shall have been taken in the same license term for which the license is to be issued, with the exception of a licensee whose hours were not used in the preceding license term. In that case, the hours taken in the preceding license term shall count towards an applicable license activation or active reinstatement.
- (2) Each licensee shall have completed of said twenty-one (21) clock hours of continuing education twelve (12) clock

hours of required subject matter as directed by the Commission

(3) The required subject matter, or its equivalent, as determined by the Commission, shall consist of all following subjects each license term: Professional Conduct, Broker Relationships Act, Fair Housing, and Current Issues including Code and Rule Updates. The remaining nine (9) clock hours may consist of elective subject matter as approved by the Commission

(4) Any licensee may complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours in lieu of the required subject matter.

(5) Any Broker who holds or has held ~~A licensee who maintains the~~ a license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) during any portion of a their current license term shall be required to successfully complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours, or its equivalent, as approved by the Commission, each license term beginning with those licenses that expire on June 30, 2012. In addition, to complete the continuing education requirement of twenty-one (21) clock hours such broker shall complete at least two (2) of the four (4) required subject matter, equal to at least six (6) clock hours, as referenced in paragraph (3) of this subsection.

(6) Any broker that lapsed or renewed inactive in their previous license term or current license term who applies for reinstatement or activation after June 30, 2012 and held in their previous or current license term the license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) must complete the Broker in Charge course and two (2) of the four (4) required subject matter totaling six (6) hours prior to their license being reinstated active or reactivating.

SUBCHAPTER 5. INSTRUCTOR AND ENTITY REQUIREMENTS AND STANDARDS

605:10-5-1. Approval of prelicense course offerings

(e) **Instructor application and approval requirements.** An individual determined by the Commission to possess one or more of the following qualifications may, upon receipt of an application and evidence of education and/or experience, be considered for approval as an approved instructor. Each application for approval must be accompanied by a Twenty-Five Dollar (\$25.00) application fee, and documentation required for compliance necessary to verify citizenship, qualified alien status, and eligibility under the Personal Responsibility and Work

Opportunity Reconciliation Act of 1996. In order to qualify, an individual must possess proof of one of the following:

- (1) A bachelor's degree with a major in real estate from an accredited college or university.
 - (2) A bachelor's degree from an accredited college or university, and at least two (2) years of applicable active experience within the previous ten (10) years as a real estate broker or sales associate.
 - (3) A real estate broker or sales associate licensed in Oklahoma with a minimum of five (5) years applicable active experience within the previous ten (10) years as a real estate broker or sales associate and proof of high school education or its GED equivalent.
 - (4) An individual determined by the Commission to possess a combination of education and/or applicable active broker or sales associate experience in real estate or real estate related fields which constitutes an equivalent to one or more of the qualifications in paragraphs (1), (2), or (3) of this subsection.
- (f) **Course content examination.** Final approval will be considered after the instructor applicant has paid the appropriate examination fee and successfully completed an applicable Commission-administered course content examination with a passing score of 80% or more. ~~If an instructor applicant fails to pass the examination prescribed by the Commission, the Commission may permit subsequent examinations upon receipt of the applicable examination fee for each examination to be taken. If an instructor applicant has successfully taken an applicable license examination with a passing score of 80% or more within thirty (30) days of filing an instructor application, such the passing score may be utilized to meet the applicable examination requirement in this section. If, however, the instructor applicant does not obtain approval within 90 days of filing an instructor application, due to no fault on the part of the Commission, the instructor will be required to take the applicable examination again.~~

(i) **Instructor and entity requirements.**

- (1) **Instructor must be present.** An approved instructor must be present in the same room during all in class course instruction for students to receive credit toward course completion.
- (2) **Retention of records.** An instructor/entity shall maintain enrollment records and roll sheets which include number of hours attempted by each student for seven (7) years.
- (3) **Course completion certificate.** Each individual successfully completing a course of study approved by the Commission shall be furnished a certificate prescribed or approved by the Commission certifying completion. The Commission shall accept from a college or university a certified transcript or a course completion certificate as prescribed by the Commission.
- (4) **Commission authorized to audit and inspect records.** A duly authorized designee of the Commission may audit any offering and/or inspect the records of the entity at any time during its presentation or during reasonable office hours or the entity may be required to provide the records to the Commission.

(5) **Clock hours and breaks.** Not more than one clock hour may be registered within any one sixty (60) minute period and no more than ten (10) minutes of each hour shall be utilized for breaks.

(6) **Class size limited.** Instructor ratio to students shall not exceed sixty (60).

605:10-5-2. Approval of continuing education offerings

(b) **Application form.** Each application by a sponsoring entity for approval of an offering or group of offerings not exceeding thirty-six (36) hours covered by the same application must be accompanied by a non-refundable Seventy Dollar (\$70.00) application fee. Such application shall be made on a form prescribed by the Commission. The application shall include, but not limited to, the following information:

- (1) The name(s), address(es), and telephone number(s) of the sponsoring entity, the owner(s), and the coordinator/director responsible for the quality of the offering.
- (2) The title(s) of the course offering or offerings.
- (3) ~~A complete description of or copies of all materials to be distributed to the participants except that if materials provided by the Commission are to be used, a complete description shall not be required.~~
- (4) (3) The number of hours in each course offering.
- (5) (4) The tuition/registration fee and cancellation/refund policy.
- (6) (5) A copy of each offering's curriculum, or revised curriculum with revisions noted, including comprehensive course objectives, a legible detailed outline of the course subject matter and, instructor instructor(s) for each segment and teaching technique used in each segment.
- (7) (6) The method of evaluation of the course offering which will be used by the entity.
- (8) (7) The procedure for monitoring attendance.
- (9) (8) A personal resume indicating name(s) and qualifications of the instructor(s).
- (10) (9) The number of years the entity has been offering real estate related education.
- (11) (10) Any other relevant information useful in determining that the entity is presenting an offering which will meet the definition, purposes, goals and objectives adopted by the Commission.
- (12) (11) A statement attesting to the fact that in accepting approval as a continuing education offering entity, the entity will protect and promote the purposes, goals and objectives of continuing education as stated in the License Code and Rules.

(d) **Course renewal requirements.** An application for renewal of any offering or group of offerings by an entity shall also be accompanied by a non-refundable application fee of Seventy Dollars (\$70.00) for a twenty-four (24) month period. Renewal applications shall be subject to the same requirements as original applications, ~~but may cross-reference an earlier application regarding previously approved course offerings to the extent that items have not changed since a previous application.~~

(g) Course requirements and limitations.

(1) An offering approved pursuant to this Section shall be open to all licensees, except as may otherwise be approved by the Commission upon request of the offering entity.

(2) An offering will not be approved by the Commission if its duration is less than two (2) consecutive clock hours or its equivalent as determined by the Commission.

(3) To meet the statutory requirement, a clock hour shall equal sixty (60) minutes, with no more than ten minutes of each hour utilized for breaks.

(4) An entity conducting an approved continuing education offering shall, within five (5) days of the completion thereof, submit to the Commission on a form prescribed by the Commission, a list of the names and license numbers of those licensees who successfully completed the said offering successfully submit to the Commission the list of name(s), license number(s) and other personal identifiers of those licensees who have successfully completed said offering. The information shall be submitted to the Commission by way of electronic format as required by the Commission, along with other information which may reasonably be required.

(5) Each licensee successfully completing an offering shall be furnished a certificate, prescribed or approved by the Commission, certifying completion.

(6) Each offering shall be presented in such facilities and on such a facility premises as shall be necessary to properly present the course as determined by the Commission.

(7) An approved instructor must be present in the same room during all course instruction for students to receive credit toward course completion. If an instructor is presenting a Commission approved course offering which is delivered to the licensees by way of television, the Commission may require that each delivering entity have a monitor in lieu of a Commission approved instructor.

(l) **Retention of records.** An instructor/entity shall maintain a record of enrollment records and roll sheets which include number of hours attempted by each student for seven (7) years.

605:10-5-3. Standards for Commission approved real estate courses

(d) **Student transfers.** Except with the prior approval of the Commission, a student transferring from one course to another may not count any portion of the student's attendance or work in the former course toward passing the course. A student who enrolls in an entity which offers a Commission approved course may not transfer credit for a course or courses completed in that series to another entity unless the new receiving entity offers the identical series of courses and the receiving entity agrees to accept and examine said student throughout successful completion.

(i) **Each entity must post notice.** Each entity must post or provide a notice that is easily observed by any person desiring to enroll in a prelicense course. The notice must at least include the

following language: “If you have been convicted of any crime, or if charges are pending, or if you have delinquent unpaid child support or student loans, please check with the Real Estate Commission before enrolling in this class. The Commission will allow you to seek preapproval prior to enrolling in a prelicense course.” Oklahoma Statutes, Title 59, Section 858.301.1 “Effective November 1, 2009, state law prohibits the issuance of a real estate license to any person who has been convicted, pled guilty or pled nolo contendere to a felony for a pre-determined number of years based on the classification of said felony. For clarification, please contact the Commission and/or review the cited section of law as referenced herein. Additionally, if the applicant has delinquent unpaid child support or student loans, the applicant must check with the Real Estate Commission before enrolling in this class. The Commission will allow the applicant to seek preapproval prior to enrolling in a pre-license course.”

(j) Additional distance education course requirements.

(1) Each course shall contain suitable learning objectives.

(2) Overview statements must be included for each course providing a quick preview of what is contained in the offering.

(3) A complete set of questions and An an answer key for all examinations must be provided to the Commission with each course application. An answer key for examinations may not be included in any course materials provided to the student.

(4) From the date of enrollment, the course shall have a validity period of six (6) months in which to allow successful completion to be attained.

(5) Entities must include information with the course material that clearly informs the student of the completion time frame, passing and examination requirements, and any other relevant information necessary to complete the course.

(6) Each course must include a statement that the information presented in the course should not be used as a substitute for competent legal advice.

(7) Course offerings must be sufficient in scope and content to justify the hours requested for approval.

(k) Each entity shall promote the Basic Course of Real Estate as Part I of a two part series and the Provisional Postlicense Course of Real Estate as Part II of that series. Applicants are to be advised that Part II of the series is not to begin until after license issuance and shall be completed prior to their first license expiration.

(l) All materials that are distributed to students in any class must be current and up-to-date with the License Code and Rules and state or federal laws.

SUBCHAPTER 7. LICENSING PROCEDURES AND OPTIONS**605:10-7-1.1. Documentation required for compliance necessary to verify citizenship, qualified alien status, and eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996**

License renewals and reinstatements. Each licensee who submits a license renewal or reinstatement on or after July 1, 2002, shall be required to provide documentation required for

compliance necessary to verify citizenship, qualified alien status, and eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Failure to provide such documentation shall result in disapproval of the application. Individuals who submit an application on or after July 1, 2002, shall be required to provide documentation necessary to verify compliance of citizenship, qualified alien status, and eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Failure to provide this documentation shall result in disapproval of the application. If an individual fails to provide proof of citizenship within sixty (60) days from the date of reissuance of their license or approval, the individual will be placed inactive until the Commission receives current proof of citizenship or qualified alien status.

605:10-7-4. Request for activation or re-issuance of license

(c) **Continuing education required for activation.** A licensee requesting activation of a license must have complied with the continuing education requirement as set forth in Section 858-307.2 of Title 59 of the Oklahoma Statutes and rule 605:10-3-6. Further, upon a licensee's request for activation being completed and processed, the licensee shall then be required to complete the continuing education requirement for the next license term for which the license is to be renewed active or activated.

605:10-7-9. Nonresident licensing

(j) **Continuing education.** If a nonresident licensee ~~satisfies~~ completes a continuing education requirement in another jurisdiction for license renewal, the Commission will exempt the nonresident licensee from the continuing education requirement in this jurisdiction. ~~In order to qualify for the exemption, the nonresident licensee must file with the license renewal of this jurisdiction a certification from the jurisdiction in which the continuing education was satisfied stating that the nonresident licensee has completed the continuing education requirement for license renewal in that jurisdiction. The certification from the jurisdiction verifying the nonresident's compliance with continuing education in the other jurisdiction must be received by the Commission within sixty (60) days of issuance by the other jurisdiction and must be received in conjunction with license renewal. If a nonresident licensee is exempt from meeting a continuing education requirement in another jurisdiction then the licensee must meet the Oklahoma continuing education requirement as follow:~~

(1) Each licensee shall have completed of said twenty-one (21) clock hours of continuing education twelve (12) clock hours of required subject matter as directed by the Commission

(2) The required subject matter, or its equivalent, as determined by the Commission, shall consist of all following subjects each license term: Professional Conduct, Broker Relationships Act, Fair Housing, and Current Issues including Code and Rule Updates. The remaining nine (9) clock hours may consist of elective subject matter as approved by the Commission

(3) Any licensee may complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours in lieu of the required subject matter.

(4) Any Broker who holds or has held a license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) during any portion of their current license term shall be required to successfully complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours, or its equivalent, as approved by the Commission, each license term beginning with those licenses that expire on June 30, 2012. In addition, to complete the continuing education requirement of twenty-one (21) clock hours such broker shall complete at least two (2) of the four (4) required subject matter, equal to at least six (6) clock hours, as referenced in paragraph (3) of this subsection.

(5) Any broker that lapsed or renewed inactive in their previous license term or current license term who applies for reinstatement or activation after June 30, 2012 and held in their previous or current license term the license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) must complete the Broker in Charge course and two (2) of the four (4) required subject matter totaling six (6) hours prior to their license being reinstated active or reactivating.

SUBCHAPTER 9. BROKER'S OPERATIONAL PROCEDURES

605:10-9-1. Place of business and broker requirements

(a) **Requirements Place of business.** Each broker shall maintain a specific place of business, and supervise a brokerage practice which is available to the public during reasonable business hours. Each broker shall be available to manage and supervise such brokerage practice and comply with the following:

(1) The broker's license, as well as those of all licensees associated with the broker, must be prominently displayed in such place of business.

(2) The office place of business shall consist of at least one enclosed room or building of stationary construction wherein negotiations and closing of real estate transactions of others may be conducted and carried on with privacy and wherein the broker's books, records and files pertaining to real estate transactions of others are maintained.

(b) **Branch offices.** If a broker maintains one or more branch offices, places of business, the additional places of business shall be referred to as a branch office. Each associate's license shall be issued to and displayed in the office to which the associate is assigned whether that be the main office place of business or branch office.

(c) **Office located at residence.** The office may be in the residence of the broker, ~~if not contrary to local zoning ordinances.~~

(d) **Associates not permitted to have an office.** Associates are not permitted to have an office a place of business, but must be registered with an office a place of business maintained and registered in the name of the broker.

605:10-9-4. Advertising

(a) **Requirements and prohibitions.**

(7) Social networking. A licensee who is engaged in licensed activities through social networking mediums must indicate their license status and include their broker's reference as required elsewhere in this rule.

(8) A licensee shall not use a yard sign at the licensee's personal residence as a marketing tool, to make it appear the real property is for sale, lease or rent when such is not the case.

(9) A broker may, or authorize an associate to, promote a seller incentive with the consent of the seller. The publicity must clearly indicate the incentive is being offered by the seller and not by the licensee and that the promotion only applies to a seller's particular property or properties.

(b) Associates advertising.

(1) An associate is prohibited from advertising under only his or her name.

(2) All advertising by an associate must be under the direct supervision of his or her broker.

(3) In all advertising, the associate must include the name of his or her broker or the name under which the broker operates, in such a way that the broker's reference is prominent, conspicuous and easily identifiable. If allowed by a broker, an associate may include in the advertisement:

(A) The associate's personal insignia of which such approval is to be maintained by the broker and which cannot be construed as that of a ~~company~~ firm's name.

(B) The associate's personal nickname or alias which must be registered at the Commission prior to its use and which cannot be construed as that of a ~~company~~ firm's name.

(C) An associate's contact information.

(D) A team name approved by the broker, so long as the broker's reference is prominent, conspicuous, and easily identifiable, and which cannot be construed as that of a ~~company~~ firm's name. The broker's reference must be in close proximity to the team name reference.

(E) A slogan which cannot be construed as that of a ~~company~~ firm's name.

(F) A domain/website name that is registered with the broker. Within this domain/website, the broker's reference shall appear on every individual page and/or frame.

~~(4) A sign rider with the~~ An associate's contact information may be added ~~attached~~ to a yard sign if the yard sign contains the name or trade name and office telephone number of the broker so long as it is approved by the broker.

(5) Open house or directional signs used in conjunction with broker's signs do not have to contain the name or trade name of the associate's broker and broker's telephone number.

(c) Licensee acting as owner, purchaser or direct employee of owner.

(1) When a licensee, either active or inactive, is purchasing real estate or is the owner of property that is being sold, exchanged, rented or leased and such is being handled either by the licensee or marketed through a real estate ~~company~~ firm, the licensee is required to disclose in writing on all documents that pertain to the transaction and in all advertise-

ments that he or she is licensed. On all purchase or lease contracts the licensee is to include their license number.

(2) A licensee who is not acting in the capacity of a licensee but is engaged in buying, selling, leasing or renting real estate as a direct employee for the owner or as an officer for an entity ~~a corporate owner~~ is not required to indicate in the advertising that he or she is licensed.

SUBCHAPTER 11. ASSOCIATE'S LICENSING PROCEDURES

605:10-11-2. Associate licenses

(a) **License issuance and change request.** Each associate license shall be issued to the associate's broker, who shall retain custody of the license. Upon an associate leaving the association of the broker, the associate's license shall be returned to the Commission, together with a release executed by the broker. Any change of association from one firm to another, or relocation from one office to another within a firm by an associate must be filed in the Commission office within ten (10) days. ~~Filed shall mean the date of the United States postal service postmark or the date personal delivery is made to the Commission office.~~ The associate's new broker shall be required to file a consent agreement to sponsor said ~~the~~ associate on a form as ~~shall be~~ provided by the Commission. An associate requesting an association or office change shall be required to pay a fee of Twenty-five Dollars (\$25.00).

(b) **Broker refusal to release associate.** In the event a broker refuses ~~or for any other reason will not to~~ release an associate, the associate shall notify the broker by certified mail of the disassociation and furnish the Commission a sworn statement that the notification has been ~~served on~~ sent to the broker. If a broker, when requested to release an associate or when notified by certified mail of the disassociation by an associate, is of the opinion that the association has not been terminated and prevails in court over ~~such~~ the associate, the broker may file a request with the Commission for a hearing to determine whether or not the associate should be disciplined. In such a filing, the complaining broker must show cause in the form of a copy of the court order ~~directing~~ issuing a verdict in their favor.

SUBCHAPTER 13. TRUST ACCOUNT PROCEDURES

605:10-13-1. Duty to account; broker

(i) **Documents, items, or monies furnished to all parties.** A broker shall insure the timely ~~delivery of a copy of all instruments to any party or parties executing the same, where such instrument has been prepared by the broker or his or her associates and relates to the agreement with his or her principal or pertains to the real estate transaction in which he or she or one of the associates has participated~~ or return of all documents, items or monies to a party to a transaction wherein the broker or the broker's associate have provided services.

605:10-13-2. Duty to account; associate

The obligation of an associate to remit monies, valuable documents and other property coming into his or her possession within the meaning of subsection six (6), Section 858-312 of the Code shall be construed to include but shall not be limited to the following:

- (1) Shall turn over all documents, files and monies deposited, payments made, or things of value received by the associate to his or her broker promptly; and
- (2) Shall deliver a copy of all instruments to any party or parties executing the same when such has been prepared by the associate or pertains to the consummation of a transaction in which he or she participated.
- (3) Shall not be authorized to open or maintain a trust or escrow account, or be a signer on a trust or escrow account wherein the associate is providing licensed activities as defined in the License Code and Rules. (This rule speaks directly to associates who attempt to work outside the sponsorship of their broker.)

SUBCHAPTER 17. CAUSES FOR INVESTIGATION; HEARING PROCESS; PROHIBITED ACTS; DISCIPLINE

605:10-17-4. Prohibited dealings

Within the meaning of subsection 8 of Section 858-312 of the “Code,” untrustworthy, improper, fraudulent or dishonest dealing shall include, but not be limited to, the following:

- (17) Knowingly providing false or misleading information to the Commission during the course of an investigation.
- (18) Interfering with an investigation by means of persuading, intimidating or threatening any party or witness, or tampering with or withholding evidence relating to the investigation.
- (19) Knowingly cooperating with an unlicensed person or entity to perform licensed real estate activities as required by Title 59 O.S. Section 858-301.
- (20) Failing to act in accordance with the broker relationship established and/or disclosed with a party.

(21) Failure by a broker to ensure all persons performing real estate licensed activities under the broker are properly licensed.

(22) An associate shall not perform licensed activities outside their broker’s supervision.

605:10-17-5. Substantial misrepresentation

Substantial misrepresentation within the meaning of paragraph 2 of Section 858-312 of the “Code” includes, but is not limited to:

- (1) The recommendation or use by a licensee of a fictitious or false instrument for the purpose of inducing any lender or Government Agency to loan or insure any sum of money.
- (2) Failure to disclose to a buyer or other cooperative licensee or ~~company~~ firm a known material defect regarding the condition of a parcel of real estate of which a broker or associate has knowledge.
- (3) The use by a real estate broker of the name or trade name of a licensee whose license has been revoked or currently on suspension.
- (4) Representing to any lender, guaranteeing agency or any other interested party, either verbally or through the preparation of false documents, an amount in excess of the true and actual sales price of the real property or terms differing from those actually agreed upon by the parties to the transaction.

Appendix A. Residential Property Condition Disclosure Statement

- 14. Approximate age of roof covering, if known _____ Unk
Number of layers, if known _____ Unk
- 20. Are you aware of major fire, tornado, hail, or wind damage?
Yes No Unk
- 21. Are you aware of problems pertaining to sewer, septic, lateral lines or aerobic system? Yes No Unk
- 39. Are you aware of any threatened or existing filed litigation or lawsuit(s), directly or indirectly, affecting the property, including a foreclosure? Yes No Unk



Failing to Complete Continuing Education Requirements in a Timely Manner is Costly

Costly mistakes can be avoided by completing your continuing education hours prior to your license expiration date. Many licensee’s are taking their continuing education hours the last few days before their license is due to expire. The Commission must have your continuing education hours noted on your record in order to renew your license on an active status. If the fee is received and your

hours have not been recorded at the Commission, the Commission has no choice but to renew the license inactive.

If a managing broker or branch broker does not complete their hours on time, all associates associated with the broker, or his licensed entity, will be placed on inactive status, thus requiring the broker to submit costly fees and additional forms to the Commission to have the associates re-associated to the broker.

DISCIPLINARY ACTION *continued from page 2*

- 2) An assessment of probation equal to the terms of her criminal proceeding (January, 2013);
- 3) Attendance and completion of three (3) hours of continuing education in the subject of Professional Standards, and three (3) hours of continuing education in the subject of Laws and Rules to be completed within six (6) months from the date of receipt of the final order;
- 4) Mandatory self-reporting of any probation violation, new arrest(s) and/or charges within ten (10) days of occurrence; and
- 5) Quarterly updates (one report every four months) to the Commission on restitution payment progress, until full restitution has been satisfied.

(On October 5, 2009, documentation was received indicating that Respondent Sullivan's restitution had been paid in full.)

C-2008-066 – ALLIANCE REAL ESTATE GROUP INCORPORATED, REGINA M. YAGER (BM) – OKLAHOMA CITY; ALLIANCE REAL ESTATE GROUP INCORPORATED (BO), CAROL STEPHENS AND NANCY F. KIMBERLING (SA) – EDMOND: Violations by Respondent Nancy Kimberling: Title 59 O.S. §858-312, Subsections 2, 8, 9 and 23, Rule 605:10-17-4(12)(13) and Rule 605:10-17-5(2).

Respondent Nancy Kimberling consented to the issuance of a formal reprimand and assessment of an administrative fine of Two Hundred Fifty Dollars (\$250.00) for each violation, for a total of One Thousand Dollars (\$1,000.00).

The case against Respondents Alliance Real Estate Group Incorporated, Regina Yager, Alliance Real Estate Group Incorporated (BO) and Carol Stephens was closed.

C-2008-004 – NITA GRIMES AND ASSOCIATES REALTY INCORPORATED, JUANITA F. COOK (BM) – MIDWEST CITY, JEQUETTA SUE COMBS (BP) – CHOCTAW, ROBERT E. HAWKINS (BP) – NEWALLA, AND CAROLE J. LEHMAN (SA) – CHOCTAW (KISNER): On August 28, 2009, the Hearing Examiner reported that Respondent Carole J. Lehman was found in violation of Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-13-2, and Title 59 O.S.

§858-312, Subsections 8 and 9 and Rule 605:10-11-1(a).

Respondent Robert E. Hawkins was found in violation of Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-17-4(6).

The case against Respondents Nita Grimes and Associates Realty Incorporated, Juanita Cook and Jequetta Combs was previously closed.

Respondent Carole J. Lehman was ordered to pay an administrative fine in the sum of Two Hundred Fifty Dollars (\$250.00) for each violation, for a total of Five Hundred Dollars (\$500.00), and Respondent Robert E. Hawkins was ordered to pay an administrative fine in the sum of Five Hundred Dollars (\$500.00).

U-2008-009 – MIKE MERRIFIELD (UNLICENSED) – MOORE: On August 26, 2009, the Hearing Examiner reported that Respondent Merrifield was found in violation of Title 59 O.S. §858-102; Title 59 O.S. Subsection 2; Title 59 O.S. §858-301 and Title 59 O.S. §858-401.

Respondent Mike Merrifield was ordered to pay an administrative fine in the sum of Five Thousand Dollars (\$5,000.00).

UC-2009-003 – CHRISTIE LYNN RENEGAR (UNLICENSED), NASON VALJEAN RENEGAR (UNLICENSED), AMERICAN DREAM REALTY LLC AND CLAUDIA RENEA ROBERTS (BM) – DURANT: On August 26, 2009, the Hearing Examiner reported that Respondent Christie Renegar was found in violation of Title 59 O.S. §858-101(2) and §858-401.

Respondent Nason Renegar did not violate any provision of the Oklahoma Real Estate License Code or the Rules of the Commission.

The case against American Dream Realty LLC and Claudia Renea Roberts was previously closed.

Respondent Christie Renegar was ordered to pay an administrative fine in the sum of Two Hundred Dollars (\$200.00), and that the case against Nason Renegar shall be dismissed.



UC-2008-003 – ORA WILLIAMS (UNLICENSED), WATERS BROTHERS CORPORATION, BRANDON J. THARP (BM) AND RHIANNON ROSE WILKINSON (SA) – OKLAHOMA CITY: On August 26, 2009, the Hearing Examiner reported that Respondent Rhianon Rose Wilkinson was found in violation of Title 59 O.S. §858-312, Subsections 4, 8 and 9 and Title 59 O.S. §858-301, and Title 59 O.S. §858-312, Subsection 21.

Respondent Ora Williams was found in violation of Title 59 O.S. §858-301, in that she engaged in licensable real estate activities without a license.

The case against Respondents Waters Brothers Corporation and Brandon Tharp was closed on August 8, 2008.

Respondents Ora Williams and Rhianon Wilkinson were each ordered to pay an administrative fine in the sum of Five Hundred Dollars (\$500.00), for a total of One Thousand Dollars (\$1,000.00).

C-2007-061 – ABWS TULSA INCORPORATED, SHERRY LEWIS (BB), ABWS TULSA INCORPORATED (BO), SUSAN BEACH (BM) AND ANGELA BAYSINGER (SA) – TULSA: Respondent Baysinger consented to payment of an administrative fine of Four Thousand Dollars (\$4,000.00), and the suspension of her license for ninety (90) days.

The case against Respondents ABWS Incorporated, Sherry L. Lewis, ABWS Incorporated (BO) and Susan J. Beach was dismissed.

DECEMBER 2009

C-2009-017 – ALAN D. BROCK (BP) – GRAPEVINE, TX: Violations by Respondent: Title 59 O.S. §858-312, Subsections 8 and 9, and Title 59 O.S. §858-312, Subsection 15.

Alan Brock consented to an assessment of an administrative fine of \$250.00.

U-2007-002 – BUD PROFFITT (UNLICENSED), PROFFITT ENTERPRISES (UNLICENSED) – TULSA; CASTLE FINDERS LLC, DIANA LYNN GRIEGO (BM) AND CYNTHIA ANN LOLLIS (SA) – ALBUQUERQUE, NM: On April 22, 2009 the Hearing Examiner reported that Respondents Bud Proffitt and Proffitt Enterprises Incorporated were found in violation of Title 59 O.S. §858-

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DISCIPLINARY ACTION *continued from page 13*

102, Subsection 2, Title 59 O.S. §858-301 and Title 59 O.S. §858-401.

Respondents Castle Finders LLC, Diana Griego and Cynthia Lollis did not violate any provision of the Oklahoma Real Estate License Code or the Rules of the Commission.

Prior to the September 9, 2009 regular meeting of the Commission, a consent agreement was reached, wherein Respondents Bud Proffitt and Proffitt Enterprises Incorporated consented to the assessment of an administrative fine in the sum of Two Hundred Fifty Dollars (\$250.00) each, for a total of Five Hundred Dollars (\$500.00).

Bud Proffitt and Proffitt Enterprises Incorporated consented to the assessment of an administrative fine in the total of \$500.00. The case against Castle Finders LLC, Diana Griego and Cynthia Lollis was dismissed.

C-2008-027 – JAMES M. KELLEY (BA) – BROKEN ARROW: On August 25, 2009, the Hearing Examiner reported that Respondent Kelley was found in violation of Title 59 O.S. §858-312, Subsections 9 and 15, in that his criminal convictions reflect a pattern of repeated offenses, indicating an indifference to the law.

James M. Kelley was ordered to pay an administrative fine in the sum of \$500.00.

C-2008-068 – MCGRAW DAVISSON STEWART INCORPORATED, C. VINSON REED (BM), MCGRAW DAVISSON STEWART INCORPORATED (BO), LORI CHARLENE MORGAN (BB), PREETI WAAS (SA) – TULSA: On August 25, 2009, the Hearing Examiner reported that Respondent Preeti Waas was found in violation of Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-17-4(9).

The Oklahoma Real Estate Sales Associate license of Respondent Preeti Waas was ordered revoked. The case against McGraw Davison Stewart Incorporated, C. Vinson Reed, McGraw Davison Stewart Incorporated (BO) and Lori C. Morgan had been previously closed.

**JANUARY 2010**

C-2007-110 – MCGRAW DAVISSON STEWART INCORPORATED, C. VINSON REED (BM), MCGRAW DAVISSON STEWART INCORPORATED (BO), JUDY J. PIERCE (BB) AND A. REX WATKINSON III (BA) – TULSA: Respondent Watkinson was found in violation of Title 59 O.S. §858-312, Subsection 9 for operating Clear Creek Properties Incorporated outside the supervision of McGraw Davison Stewart Incorporated, and Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-17-4(14), in that he managed Patio Condominiums Home Owners Association as a branch office broker without possessing the necessary license.

Respondent Watkinson was ordered to pay an administrative fine of Two Thousand Dollars (\$2,000.00).

The case against the remaining respondents was closed.

C-2008-029 – MICHAEL E. GILBERT (BA) – SHAWNEE: Respondent Gilbert was found in violation of Title 59 O.S. §858-312, Subsections 9 and 15, in that he entered a Plea of Guilty to the felony charge of Making a Lewd Proposal to a Child, in Case Number CF-2006-298 in the District Court of Seminole County, Oklahoma.

Respondent Gilbert was ordered to pay an administrative fine of One Thousand Dollars (\$1,000.00), and his real estate broker license was placed on probation until September 14, 2017. He was also ordered to report to the Commission any conviction of a crime, or violation of his probation.

C-2008-075 – JERRY DON DANIEL (SA) – POTEAU: Respondent Daniel was found in violation of Title 59 O.S. §858-312, Subsection 1, in that he failed to disclose on his application for license that he had received misdemeanor convictions in the past.

Respondent Daniel was given a formal reprimand and ordered to pay an administrative fine of One Thousand Dollars (\$1,000.00).

MARCH 2010

C-2008-054 – CARLENE HEIDBRINK (BP): Respondent Heidbrink was found in violation of Title 59 O.S. §858-401, in that she engaged in licensable real estate activi-

ties while having an inactive license and may have received a commission or other valuable consideration from those transactions.

Respondent Heidbrink consented to a formal reprimand and payment of an administrative fine of Seven Hundred and Fifty Dollars (\$750.00).

UC-2008-004 – PRIME PROPERTIES TULSA LLC, DAVID EDWARD KADLECK II (BM), ROBERT JAMES ABBOTT (SA), JOSH FARMER (SA), JAMIE HAMPSHIRE (UNLICENSED), LINDA SCHILZ (SA), KEVIN MARTIN (UNLICENSED) AND PRIME RESIDENTIAL PROPERTIES INCORPORATED (UNLICENSED) – TULSA: Respondents Prime Properties Tulsa LLC, David E. Kadleck II and Josh Farmer were found in violation of Title 59 O.S. §858-102, Subsection 2, Title 59 O.S. §858-301 and Title 59 O.S. §858-401, in that they engaged in unlicensed activities and conducted real estate transactions requiring licensure, and failed to maintain a physical place of business

Respondents Prime Properties Tulsa LLC, David Kadleck II and Josh Farmer consented to the payment of an administrative fine of Eight Thousand Dollars (\$8,000.00).

The case against Respondents Robert Abbott, Jamie Hampshire, Kevin Martin and Linda Schilz was dismissed.

APRIL 2010

C-2009-088 – ROSINELY P. RUIZ (SA) – OKLAHOMA CITY (KISNER): Possible violations by respondent:

- 1) Title 50 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-17-4(12), in that she may have continued to engage in real estate activities which require an active license after her license had been placed on inactive status, and
- 2) Title 50 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-17-4(12), in that she may have facilitated the unlicensed real estate activities of Jorge Gamboa, whose license was summarily suspended by the Commission on October 14, 2009.

The Commission ordered that sales associate license of Rosinely Ruiz shall be placed on summary suspension until otherwise ordered.



HIGHLIGHTS OF IMPORTANT RULES *continued from page 4*

their license status and include their broker's reference as required elsewhere in this rule.

(8) A licensee shall not use a yard sign at the licensee's personal residence as a marketing tool, to make it appear the real property is for sale, lease or rent when such is not the case.

(9) A broker may, or authorize an associate to, promote a seller incentive with the consent of the seller. The publicity must clearly indicate the incentive is being offered by the seller and not by the licensee and that the promotion only applies to a seller's particular property or properties.

(b) Associates advertising.

(3) In all advertising, the associate must include the name of his or her broker or the name under which the broker operates, in such a way that the broker's reference is prominent, conspicuous and easily identifiable. If allowed by a broker, an associate may include in the advertisement:

(D) A team name approved by the broker, so long as the broker's reference is prominent, conspicuous, and easily identifiable, and which cannot be construed as that of a company firm's name. The broker's reference must be in close proximity to the team name reference.

(E) A slogan which cannot be construed as that of a company firm's name.

(F) A domain/website name that is registered with the broker. Within this domain/website, the broker's reference shall appear on every individual page and/or frame.

(4) ~~A sign rider with the~~ An associate's contact information may be added attached to a yard sign if the yard sign contains the name or trade name and office telephone number of the broker so long as it is approved by the broker.

(5) Open house or directional signs used in conjunction with broker's signs do not have to contain the name or trade name of the associate's broker and broker's telephone number.

(c) Licensee acting as owner, purchaser or direct employee of owner.

(1) When a licensee, either active or inactive, is purchasing real estate or is the owner of property that is being sold, exchanged, rented or leased and such is being handled either by the licensee or marketed through a real estate ~~company~~ firm, the licensee is required to disclose in writing on all documents that pertain to the transaction and in all advertisements that he or she is licensed. On all purchase or lease contracts the licensee is to include their license number. (Clarification: This requirement applies only to a licensee who is the owner of property that is being marketed by the licensee or through a real estate firm or if the licensee is acting in the capacity of a purchaser of property.)

Duty to Account Requirements for Associates**605:10-13-2. Duty to account; associate**

The obligation of an associate to remit monies, valuable documents and other property coming into his or her possession within the meaning of subsection six (6), Section 858-312 of the Code shall be construed to include but shall not be limited to the following:

(1) Shall turn over all documents, files and monies deposited, payments made, or things of value received by the associate to his or her broker promptly; and

(2) Shall deliver a copy of all instruments to any party or parties executing the same when such has been prepared by the associate or pertains to the consummation of a transaction in which he or she participated.

(3) Shall not be authorized to open or maintain a trust or escrow account, or be a signer on a trust or escrow account wherein the associate is providing licensed activities as defined in the License Code and Rules. (Clarification: This rule speaks directly to associates who attempt to work outside of the supervision of their managing broker. An associate is prohibited from performing licensed activities in their own name and must only perform licensed activities in the name of their managing broker.)

Causes for Investigation and/or Discipline**605:10-17-4. Prohibited dealings**

Within the meaning of subsection 8 of Section 858-312 of the "Code," untrustworthy, improper, fraudulent or dishonest dealing shall include, but not be limited to, the following:

(17) Knowingly providing false or misleading information to the Commission during the course of an investigation.

(18) Interfering with an investigation by means of persuading, intimidating or threatening any party or witness, or tampering with or withholding evidence relating to the investigation.

(19) Knowingly cooperating with an unlicensed person or entity to perform licensed real estate activities as required by Title 59 O.S. Section 858-301.

(20) Failing to act in accordance with the broker relationship established and/or disclosed with a party.

(21) Failure by a broker to ensure all persons performing real estate licensed activities under the broker are properly licensed.

(22) An associate shall not perform licensed activities outside their broker's supervision.

605:10-17-5. Substantial misrepresentation

Substantial misrepresentation within the meaning of paragraph 2 of Section 858-312 of the "Code" includes, but is not limited to:

(4) Representing to any lender, guaranteeing agency or any other interested party, either verbally or through the preparation of false documents, an amount in excess of the true and actual sales price of the real property or terms differing from those actually agreed upon by the parties to the transaction.

Changes to the Residential Property Condition Disclosure Form Appendix A. Residential Property Condition Disclosure Statement

14. Approximate age of roof covering, if known _____ Unk
Number of layers, if known _____ Unk

20. Are you aware of major fire, tornado, hail, or wind damage?
Yes No Unk

21. Are you aware of problems pertaining to sewer, septic, lateral lines or aerobic system? Yes No Unk

39. Are you aware of any threatened or existing filed litigation or lawsuit(s), directly or indirectly, affecting the property, including a foreclosure? Yes No Unk

Note: Disclosure forms signed by the Seller on or before June 30, 2010 shall remain in full force and effect throughout their 180 day validity period.


OKLAHOMA REAL ESTATE COMMISSION

Shepherd Mall
2401 N.W. 23rd Street, Suite 18
Oklahoma City, Oklahoma 73107-2431

PRESORTED STANDARD
U. S. POSTAGE
PAID
PERMIT #317
OKLAHOMA CITY, OK 731

Go online at <http://www.orec.ok.gov/renewal> to view the status of your continuing education.

Sample Post Card — License Renewal Notice



**OKLAHOMA REAL ESTATE COMMISSION
REAL ESTATE LICENSE RENEWAL NOTICE**

*** THIS IS THE ONLY NOTICE YOU WILL RECEIVE ***

You have 3 options to renew your real estate license:

Option 1. Renew online at www.ok.gov/orec/renewal/index.php

- a. Acceptable forms of payment: a debit card, or VISA, MC or American Express credit card
- b. Entities (INC, LLC, Partnership, Branch Office) can renew online
- c. You can not make any changes to your license record, however, you can change personal contact information, other than a name change. If you need to make other changes contact OREC

Option 2. Or print off a license renewal form by going to www.ok.gov/orec/renewal/index.php and mail the completed form and fee to the Commission.

Option 3. If you do not have internet access, please contact the Commission at (405) 521-3387 (local) or toll free at 1 (866) 521-3389 and a form will be mailed to you.

CAUTION: Provisional Sales Associates must complete the 45 clock hour post course prior to their license expiration date. Failure to renew your license by the 10th will result in a \$10.00 Late Penalty Fee. If your license expires, you will be subject to reinstatement penalties, late fees and a National Criminal History Check. You are prohibited from performing licensed activities without an active license.

Oklahoma Real Estate Commission
Shepherd Mall
2401 NW 23rd Street, Suite 18
Oklahoma City, OK 73107

PLEASE
PLACE
STAMP
HERE

**LICENSE
EXPIRES
07-31-2010**

John Doe
% Broker
5555 Somewhere
Utopia, XXXXXX

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