

MINUTES

A meeting of the Alabama Real Estate Commission was held March 22, 2018, at the Cullman City Hall Auditorium, 204 2nd Avenue NE, Cullman, Alabama.

Those present were Vice Chairman Bill Watts; Commissioners Reid Cummings, Cindy Denney, Carole Harrison, Clif Miller, Vaughn Poe and Danny Sharp; Executive Director Patricia Anderson; Assistant Executive Director Teresa Hoffman; General Counsel Mandy Lynn; Investigators David Erfman and K. C. Baldwin; Auditors Anthony Brown and Vickie Shackelford; and Executive Assistant Barbi Lee. The Hearing Officer was Jim Hampton. Chairman Nancy Wright and Commissioner Emmette Barran were absent with notice.

The meeting, having been duly noticed according to the Alabama Open Meetings Act, was called to order at 9:00 a.m. and a quorum was declared.

Commissioner Sharp made a motion to approve the minutes from the February 22, 2018 meeting. Commissioner Harrison seconded the motion and it passed unanimously 6-0. Commissioner Miller arrived for the meeting at 9:13 a.m. and was not present for the vote on the minutes.

Vice Chairman Watts recognized former Commissioner Steve Cawthon who was in attendance, and Cindy Dyer, President of the Cullman Association of REALTORS® and a Trustee of the North Alabama REALTOR® Leadership Program. He also recognized the participants in the North Alabama Leadership Program and other attendees who were there for the Commission meeting. Vice Chairman Watts also recognized Cullman Mayor Woody Jacobs, who welcomed the Commission to the city. Vice Chairman Watts expressed on behalf of the Commission appreciation for the invitation to meet in Cullman.

Executive Director Patricia Anderson presented the February 2018 financial report. Revenues have increased in temporary and original licensing due to the increase in the number of individuals who are taking licensing examinations in 2018.

Ms. Anderson also provided a legislative update. Commissioners received a packet of information containing the substitute bill for HB402; correspondence between Ms. Anderson and Jeremy Walker, CEO of the Alabama Association of REALTORS® (AAR); AAR's proposal to exempt the National Association of REALTORS® (NAR), AAR and local REALTOR® associations from Commission regulation regarding their schools, instructors, administrators and courses; the Commission's counteroffer to exempt NAR-offered courses only, and AAR's refusal to accept the counteroffer. Ms. Anderson reminded Commissioners that the Speaker of the House had instructed the House not to bring any controversial bills to the floor. HB402 had not been deemed controversial and was moving toward passage; however, Ms. Anderson reported that AAR's last minute proposal and refusal to negotiate then made the bill controversial, and the Rules chair in the House would not allow it to be placed on the House Special Order Calendar. This resulted in the bill not being able to move forward. Commissioners also received a report

prepared by Strategic Planning Consultant JDanny Cooper showing the status of bills in which the Commission has interests.

General Counsel Mandy Lynn provided an update to the Commissioners regarding three cases that are on appeal.

Commissioner Cummings made a motion that the Commissioners conduct disciplinary hearing disposition discussions and decisions in an Open Meeting. Commissioner Harrison seconded the motion and it passed unanimously 7-0.

HEARINGS

Alabama Real Estate Commission vs. Granger Thagard and Associates Inc. and Jack F. Granger, Formal Complaint No. 3445

Vice Chairman Watts offered to recuse himself due to professional relationships in the past; however, Mr. Thagard declined his offer.

Granger Thagard and Associates, Inc. (License #56220-0), Birmingham, Alabama and Jack F. Granger, (License #16011-0) Qualifying Broker for Granger Thagard and Associates, Birmingham, Alabama, and Jack F. Granger (License #16011-3), Continuing Education Instructor, Birmingham, Alabama were charged with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(23)b. by having a final money judgment rendered against a licensee in a civil suit for an act or omission occurring in the pursuit of his or her real estate business or that involved the goodwill of an existing real estate business.

Upon discussion of the evidence and testimony presented by Mr. Granger, Commissioner Cummings made a motion to find Granger Thagard and Associates, Inc. (License # 56220-0) and Jack F. Granger (License # 16011-0), Qualifying Broker for Granger Thagard and Associates guilty and fine each license \$500 for a total of \$1,000. Commissioner Sharp seconded the motion and it passed 6-0 with 1 abstention from Vice Chairman Watts.

Commissioner Cummings made a motion to find Jack F. Granger (License #16011-3), Continuing Education Instructor, guilty and no further action was taken. Commissioner Miller seconded the motion and it passed unanimously 7-0.

Alabama Real Estate Commission vs. Michael Lee Langston and The Lake Martin Experience, Formal Complaint No. 3447

Michael Lee Langston (License #s 75237-0; 75237-1 and 75237-2), Qualifying Broker, The Lake Martin Experience, Dadeville, Alabama, and The Lake Martin Experience (License #108149-0), Dadeville, Alabama, were charged on Count 1 with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(8)b. by failing, within a reasonable time, to properly account for or remit money coming into their possession which belonged to others by failing to deposit and

account for at all times all funds belonging to, or being held for others, in a separate federally insured account or accounts in a financial institution located in Alabama.

With regard to the trust account, Michael Lee Langston (License #s 75237-0; 75237-1 and 75237-2), Qualifying Broker, The Lake Martin Experience, Dadeville, Alabama and The Lake Martin Experience (License #108149-0), Dadeville, Alabama, were charged on Count 2 with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(8)a. by commingling funds coming into their possession which belonged to others with the company operating account and with the personal account of Mr. Langston.

Upon discussion of the evidence and testimony presented by Mr. Langston, Commissioner Denney made a motion to find Michael Lee Langston (License #s 75237-0; 75237-1 and 75237-2) and The Lake Martin Experience (License #108149-0) guilty on Count 1. Commissioner Poe seconded the motion and it passed unanimously 7-0. Commissioner Sharp made a motion to fine each license \$2,500 for a total of \$10,000. Commissioner Poe seconded the motion and it passed unanimously 7-0.

Commissioner Cummings made a motion to find Michael Lee Langston (License #s 75237-0; 75237-1 and 75237-2) and The Lake Martin Experience (License #108149-0) guilty on Count 2. Commissioner Harrison seconded the motion and it passed unanimously 7-0. Commissioner Cummings made a motion to revoke all four licenses (#s 75237-0; 75237-1; 75237-2 and 108149-0). Commissioner Denney seconded the motion and it passed unanimously 7-0.

Alabama Real Estate Commission vs. Leonard B. Brooks, Peerless Property Managers and Eric Cochran, Formal Complaint No. 3448

Commissioner Denney offered to recuse herself due to professional relationships in the past; however, Mr. Brooks declined her offer.

Leonard B. Brooks (License #s 31032-0 and 31032-2), Qualifying Broker, Peerless Property Managers, Tuscaloosa, Alabama, and Peerless Property Managers (License #44740-0), Tuscaloosa, Alabama, and Eric Cochran (License #95725-0), Salesperson, Peerless Referrals, Tuscaloosa, Alabama were charged with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(8)a. by failing, within a reasonable time, to properly account for or remit money coming into their possession which belongs to others, or comingling money belonging to others with his own funds and *Code of Alabama* 1975, as amended, Section 34-27-36(a)(8)b. by failing to deposit and account for at all times all funds belonging to, or being held for others, in a separate federally insured account or accounts in a financial institution located in Alabama.

Upon discussion of the evidence and testimony presented by Mr. Brooks and Mr. Cochran, Commissioner Cummings made a motion to find Leonard B. Brooks (License #s 31032-0 and 31032-2) guilty. Commissioner Miller seconded the motion and it passed unanimously 7-0. Commissioner Sharp made a motion to find Peerless Property Managers (License #44740-0)

guilty. Commissioner Cummings seconded the motion and it passed unanimously 7-0. Commissioner Cummings made a motion to find Eric Cochran (License #95725-0) guilty. Commissioner Denney seconded the motion and it passed unanimously 7-0. Commissioner Cummings made a motion to revoke both licenses (#s 312032-0; 31032-2) for Leonard B. Brooks. Commissioner Miller seconded the motion and it passed with 5 Ayes from Commissioners Watts, Cummings, Denney, Harrison and Miller and 2 Nays from Commissioners Poe and Sharp. Commissioner Sharp made a motion to fine Peerless Property Managers (License #44740-0) \$2,500. Commissioner Cummings seconded the motion and it passed unanimously 7-0. Commissioner Miller made a motion to fine Eric Cochran (License #95725-0) \$2,500. Commissioner Cummings seconded the motion and it passed with 5 Ayes from Commissioners Cummings, Denney, Miller, Poe and Sharp and 2 Nays from Commissioners Harrison and Watts.

NOT APPEARINGS

Fannie L. Wilson, Request for Home Operation, Investigative File I-15,234

Upon review of the request by Ms. Wilson for home operation, Commissioner Cummings made a motion to approve her request. Commissioner Miller seconded the motion and it passed unanimously 7-0.

Jennifer Akridge, Request for 90-Day Temporary License Extension, Investigative File I-15,248

Upon review of the request by Ms. Akridge for a 90-day extension to take and pass the salesperson examination, Commissioner Miller made a motion to grant Ms. Akridge a 120-day extension to take and pass the salesperson examination. Commissioner Harrison seconded the motion and it passed unanimously 7-0.

Confirm May Meeting Date and Location for the Record: May 24, 2018, 9:00 a.m. in Montgomery, Alabama.

Commissioner Cummings made a motion to confirm the May meeting for May 24, 2018 at 9:00 a.m. in Montgomery, Alabama. Commissioner Harrison seconded the motion and it passed unanimously 7-0.

Next Commission Meeting: April 19, 2018, 9:00 a.m. in Montgomery, Alabama.

There being no further business, the meeting adjourned at 12:35 p.m.

Done this 22nd day of March 2018.

Bill Watts, Vice Chairman

Barbi Lee, Recording Secretary