

MINUTES

The Alabama Real Estate Commission met at 8:00 a.m. June 20, 2005, at the Perdido Beach Resort, Salon H, in Orange Beach, Alabama.

Those present were Chairman Bill Poole; Vice-Chairman Gordon Henderson; Commissioners Roy Bragg, Jewel Buford, Thomas Hays, Bobby Hewes, Sheila Hodges, Lyman Lovejoy and Chester Mallory; Executive Director Philip Lasater; Assistant Executive Director Patricia Anderson; Legal Counsel Charles Sowell; Investigators David Erfman and Chuck Kelly. Hearing Officer was Tori Adams-Burk.

Chairman Poole called the meeting to order at 8:00 a.m. Guests were welcomed and appreciation was extended to Commissioner Hodges for the generous hospitality shared with all the preceding evening.

Commissioner Bragg moved to approve the May 20 minutes as presented. Commissioner Hewes seconded the motion and the motion passed unanimously 9-0.

Chairman Poole recognized Executive Director Philip Lasater to review the May financial statements with specific attention given to the probability that receipts would exceed the appropriation this year and that with any other unexpended funds would carry over to the next fiscal year. There was no action taken. An update was provided of the staff work in SMART Budgeting and plans for arranging a planning retreat. Following Commissioner Lovejoy's visit to Lanark in May, it was suggested that the facilities there would be ideal for such a planning retreat. A review of general topics likely to be covered in the afternoon forum was undertaken.

Chairman Poole reported some licensee questions and concerns about the Commission's interpretation and enforcement of the "size of letters" advertising regulation. After a full round of discussion, the consensus was to defer further enforcement as currently outlined until more was heard in the forum and the Commission had an opportunity to evaluate its policy and direction to staff more comprehensively.

It was the consensus of the Commission to hold its next meeting in Jefferson County on July 29 at the Birmingham Association of Realtors in Homewood.

The August 26 meeting was set for Houston County. Pat Anderson, Assistant Executive Director, reviewed the proposed rules for the public hearing schedule in the amendment process.

HEARINGS AND APPEARINGS

Alabama Real Estate Commission vs. Stephen W. Spellman, Cindy Woodson, L.K. Real Estate, Formal Complaint No. 2821

Upon discussion of the evidence and testimony presented in the matter of Stephen W. Spellman, Jr., Qualifying Broker and Salesperson Cindy Woodson, L.K. Real Estate, Inc., Gulf Shores, Alabama, and the alleged violations of the Code of Alabama 1975, as amended, Count 1: Section 34-27-36(a) by failing to comply with Section 34-27-34(a)(1) in that Respondent Spellman was not in a position to supervise the real estate activities of the associate broker or salesperson on a full-time basis; Count 2: in that Respondents L.K. Real Estate, Inc., Qualifying Broker Spellman and Salesperson Woodson violated the Code of Alabama 1975, as amended, Section 34-27-36 (a)(17) by establishing an association, by employment or otherwise, with a person who is expected or required to act as a qualifying broker but did not meet those requirements, thus aiding, abetting or conspiring with a person to circumvent the requirements of the Alabama Real Estate License Law, Commissioner Hays moved to find Mr. Spellman guilty and to fine him \$500. Commissioner Buford seconded the motion. Discussion ensued after which Commissioner Hays moved to amend his motion to increase the fine to \$1000. Commissioner Buford accepted as the second to the motion. The motion passed 8-0 with Commissioner Hodges having been recused.

Commissioner Henderson moved to find Ms. Woodson guilty and to fine her \$1000. Commissioner Mallory seconded the motion and it passed 8-0 with Commissioner Hodges having been recused.

James D. Adams, Sr., Denied Application for Determination of Eligibility, I-11,555

Upon discussion and consideration of the information presented by Mr. Adams in his determination of eligibility hearing, Commissioner Hays moved to approve the license eligibility for Mr. Adams. Commissioner Hodges seconded the motion and it passed unanimously 9-0.

Montgomery Realtor Dick Short was recognized and shared news of the death of real estate licensee, MAR and AAR Director Jeff Arnberg. Commissioners expressed their sympathy to Mr. Arnberg's family along with friends and business associates. They also thanked Mr. Short for making the information known.

NOT APPEARING ITEMS FOR DISCUSSION

Alabama Real Estate Commission vs. Jesse W. Shotts, Formal Complaint No. 2426.

On Tuesday, May 24, 2005, Jeri Shotts, who identified herself as wife of the late Jesse Shotts, reported that he had a massive heart attack and passed away. With this updated information, no action was taken.

Donald F. McFee, Applicant for Determination of Licensing Eligibility, I-11,662

Upon review of the information submitted by Mr. McFee for his determination of license eligibility, Commissioner Hodges moved to deny. Commissioner Bragg seconded the motion and the motion passed 8-1 with Commissioner Hays voting no.

Leah Flowers Austin, Applicant for Determination of Licensing Eligibility, I-11,663

Upon review of the information submitted by Ms. Austin for her determination of license eligibility, Commissioner Henderson moved to deny. Commissioner Bragg seconded the motion and the motion passed 8-1 with Commissioner Hays voting no.

Barbara A. Chesser, Applicant for Determination of Licensing Eligibility, I-11,674

Upon review of the information submitted by Ms. Chesser for her determination of license eligibility, Commissioner Hewes moved to approve. Commissioner Hays seconded the motion and the motion passed unanimously 9-0.

Shirley James, Shirley James Realty, Hardship Request for a Home Office, I-11,676

Upon review of the information submitted by Ms. James in her hardship request for a home office, Commissioner Henderson moved to approve. Commissioner Hewes seconded the motion and it passed unanimously 9-0.

There being no further business, the Commission adjourned at 10:45 a.m.

Done this 20th day of June, 2005.

Bill E. Poole, Chairman

D. Philip Lasater, Recording Secretary