

## MINUTES

A meeting of the Alabama Real Estate Commission was held April 25, 2024, at the office of the Baldwin REALTORS®, 23280 County Rd. 65, Robertsedale, Alabama.

The meeting, having been duly noticed according to the Alabama Open Meetings Act, was called to order by Commission Chairman Susan T. Smith at 9:00 a.m.

Chairman Smith called the roll and the following Commissioners indicated their presence with a spoken "present": Vice Chairman Jimmie Ann Campbell, Commissioners Betsy Echols, Randy McKinney, Jim Dye, Cerita Tucker Smith, Terri May, and Deborah Lucas Robinson. A quorum was declared. Commissioner Em Barran was absent with notice.

Commission staff members in attendance for all or part of the meeting were Executive Director Vaughn T. Poe; Assistant Executive Director Teresa Hoffman; General Counsel Starla Leverette; Assistant General Counsel Zack Burr; Assistant Attorney General Serena Cronier Grayson; Investigators K.C. Baldwin and Rickey Fennie; Auditor Anthony Brown; Legal Assistant Angie Kidd; Communications and Public Relations Director Lori Moneyham; Executive Assistant Amber Moore; Information Technology Director Eric Aldridge and Information Technology Programmer Chris Prestridge. The Hearing Officer was Jim Hampton.

Commission Chairman, Susan Smith, thanked the Baldwin REALTORS® for hosting the Commission. Baldwin REALTORS® president Jaime Cooper welcomed everyone and expressed that the Baldwin REALTORS® leadership and staff were grateful for the cooperation that exists between them and the Alabama Real Estate Commission.

Commission Executive Director Vaughn T. Poe presented a resolution to out-going Commission chair Susan Smith. Commissioner Smith expressed her gratitude and appreciation to the other Commissioners and the Commission staff. Chairman Smith acknowledged and thanked the Commission staff for their help and professionalism when working with Commissioners, licensees, and consumers. She also thanked hearing officer Jim Hampton for assisting and guiding her during meetings and deliberations. She expressed that it had been a pleasure working with the other Commissioners and to get to know them professionally and personally.

Executive Director Poe administered the oath of office to new Commissioner Kim M. Barelare, who represents the fourth congressional district.

In accordance with Code of Alabama Section 34-27-7(f), Commissioners selected a new chair and vice chairman. Commissioner Campbell made a motion to elect Commissioner McKinney as vice chairman. Commissioner May seconded the motion and it passed unanimously 8-0. Commissioner Echols made a motion to nominate Commissioner Campbell as chairman. Commissioner McKinney seconded the motion and it passed unanimously 8-0.

## **APPROVAL OF THE MINUTES**

Chairman Campbell asked for a motion to approve the minutes from the March 21, 2024, Commission meeting. Commissioner Tucker Smith made a motion to approve the minutes from the March 21 meeting. Commissioner Echols seconded the motion and it passed 6-2. Commissioners May and Dye abstained from voting as they were absent from the March 21 meeting.

## **EXECUTIVE DIRECTOR'S REPORT**

Director Poe expressed appreciation to the Baldwin REALTORS® for hosting the Commission meeting and for their hospitality. He announced that the Commission had two new team members: Maduchhanda (Madu) Sutradhar in the Information Technology Division and Amber Moore in the Communications and Public Relations Division.

Director Poe provided an update on the roof for the Commission building. He explained that the roof and the interior of the building were inspected by a second engineer firm and architect firm. A final report is expected soon and the out-of-pocket costs to the Commission will be determined.

Director Poe presented the March financial report and gave Commissioners an update on revenues and expenditures in the operating and recovery fund accounts. At the completion of the first half of FY2024, the budget execution is progressing as anticipated. Expenditures are 10% below projections and still above projected revenues. The deviation in revenue can be attributed to an increased number of new licenses being issued. As we prepare for the renewal cycle in June, a watchful eye has been placed on inactive licensees and potential implications for shifts in our active numbers. There are other external factors that we also anticipate may affect the renewal return numbers this Fall. There has been a surprising increase in the number of temporary licensees obtaining their Original Salesperson license. This is a great sign, given the current market variables and fears.

Thus far, the Commission has paid \$355,549 to other state agencies. With an across-the-board fee increase beginning on October 1, 2024, for all inter-agency services, the expenditure totals are in alignment with our projections for the mandated services. Those increases are not optional and have to be absorbed by the Commission. There have been no recovery fund payouts in the past 30 days.

Director Poe reported the Commission has issued 42,151 total licenses and there are currently 36,533 unique individuals licensed. The growth rate for March 2024 was 9.23 new license applications per day. This indicates a slight increase from February, which averaged 8.83 new license applications per day. Summer months generally entail peaks to licensure numbers; however, this trend is being watched even closer in 2024.

There are currently 772 active education approvals, consisting of instructors, administrators, and schools. There were nine education audits during the month of March: two salesperson prelicense courses, two post-license courses, one mandatory broker continuing education course, three elective continuing education courses, and one school. An instructor training for the two mandatory broker continuing education courses will be held April 26 and the course is filled to capacity.

The legal auditors performed 18 company audits in March and there were no Assistance Visit requests. The Commission is continuing to prioritize and schedule those companies that have not been audited in over three years.

Coffee With the Commission will resume in May 2024 and the focus will be renewals. Director Poe reminded commissioners of the April 30, 2024, deadline to submit the Statement of Economic Interests.

Director Poe offered condolences to the family of former commissioner Walter Summerville who passed away on January 25, 2024. Mr. Summerville served on the commission from 1988-1997. Director Poe also extended sympathy and empathy to JDanny Cooper, who is extremely ill. Mr. Cooper has served in various capacities across the real estate industry for decades.

## **COMMISSIONER DISCUSSION**

### **Presentation to Former Commissioner Reid Cummings**

Director Poe presented a certificate to former Commissioner Reid Cummings in appreciation for his service as a commissioner from 2011-2021. Mr. Cummings expressed that it was his great honor to serve as a commissioner. He also recognized the consistent professionalism and work of the Commission staff.

### **Attorney General's Opinion on Crimes of Moral Turpitude - Commission Attorney Serena Cronier Grayson**

When a person who has been convicted of a crime of moral turpitude comes before the Commission seeking license approval, those crimes of moral turpitude must be considered just like felonies. Prior to 2019, defining crimes of moral turpitude was handled through case law, voter lists showing various reasons for disqualification, and attorney generals' opinions. In 2019, the voter eligibility section of the Code of Alabama was revised and all misdemeanor crimes of moral turpitude were removed. The Commission inquired about updates that had been made since 2019 and, finding none, requested an attorney general's opinion regarding moral turpitude. The resulting opinion stated that the Commission may continue to consider crimes of moral turpitude in license approval in the manner that it currently does, as part of the Commission's statute.

### **ARELLO Mid-Year Meeting Feedback**

Director Poe, Commissioner Echols, and Chairman Campbell provided feedback and updates from the Association of Real Estate License Law Officials (ARELLO) Mid-Year meeting that was held April 16-18 in New Orleans, Louisiana. Commissioner Echols stated that it was one of the most informative and interesting ARELLO meetings she has attended. She added that the roundtables were beneficial because they provided the opportunity to hear information from other states. Commissioner Campbell concurred and noted that other state real estate commissions are facing the same issues as Alabama and it was helpful to hear how they are dealing with those issues. Commissioner Campbell added that many meeting attendees requested copies of Alabama's broker responsibility points.

**HEARINGS – 9:30 a.m. Docket**

**Alabama Real Estate Commission VS. Southern Classic Realty and James Hamby, Formal Complaint 24-217**

Southern Classic Realty of Georgia LLC DBA Southern Classic Realtors, Company, Bogart, Georgia and James Hamby, Qualifying Broker, Southern Classic Realty of Georgia LLC DBA Southern Classic Realtors, Bogart, Georgia, were charged with violating Code of Alabama, 1975 Section 34-27-36(a)(19) by disregarding Code of Alabama, 1975, Section 34-27-36(a)(14) which prohibits licensees from being paid by anyone other than their qualifying broker for licensed activity.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to find Southern Classic Realty guilty. Commissioner Dye seconded the motion and it passed 6-1 with Commissioner McKinney abstaining. Commissioner Dye made a motion to fine Southern Classic Realty \$2,000. Commissioner Echols seconded the motion and it passed 6-1 with Commissioner McKinney abstaining. Commissioner Tucker Smith made a motion to find Mr. Hamby guilty. Commissioner Echols seconded the motion and it passed 6-1 with Commissioner McKinney abstaining. Commissioner Tucker Smith made a motion to fine Mr. Hamby \$2,000. Commissioner Echols seconded the motion and it passed 6-1 with Commissioner McKinney abstaining.

**Alabama Real Estate Commission VS. Jon Claude Smith, Formal Complaint 23-226**

Commission attorney Serena Cronier Grayson advised Commissioners that **Count 1** had been dismissed in this case.

Jon Claude Smith, Associate Broker, Alabama Property Professionals LLC DBA Keller Williams Spring Hill, Mobile, Alabama was charged on **Count 1** with violating Code of Alabama, 1975, Section 34-27-36(a)(26) by engaging in conduct which constitutes or demonstrates dishonest dealings, bad faith, or untrustworthiness by changing the wording on an addendum after the parties had signed and charged on **Count 2** with violating Code of Alabama, 1975, Section 34-27-36(a)(27) by acting negligently or incompetently in performing an act for which a person is required to hold a real estate license by changing the wording on an addendum after the parties had signed.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Echols made a motion to accept Mr. Smith's guilty plea. Commissioner Dye seconded the motion and it passed unanimously 7-0. Commissioner Tucker Smith made a motion to fine Mr. Smith \$1,000 and require him to complete a course in contract writing. Commissioner McKinney seconded the motion and it passed unanimously 7-0.

**Allison Norton - Application for Approval to Hold a Real Estate License after License was Previously Revoked**

Upon discussion of the evidence and testimony presented in this matter, Commissioner Dye made a motion to approve Ms. Norton's request. Commissioner Echols seconded the motion and it passed unanimously 7-0.

**Laura P. Rodriguez - Application for Determination of Licensing Eligibility, Investigative File 24-153**

Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to approve Ms. Rodriguez's application. Commissioner Barelare seconded the motion and it passed 6-1 with Commissioner Lucas Robinson voting against the motion.

**Alabama Real Estate Commission VS. Forest B. Butler, Butler Land and Timber Company, and Stephen Sanders, Formal Complaint 23-041**

Commission General Counsel Starla Leverette advised Commissioners that this hearing was continued to the May 23, 2024, Commission meeting.

**Jennifer Hope George - Application for Reciprocal Real Estate Real Estate License, Investigative File 24-214**

Upon discussion of the evidence and testimony presented in this matter, Commissioner Echols made a motion to approve Ms. George's application. Commissioner Lucas Robinson seconded the motion and it passed unanimously 7-0.

**Alabama Real Estate Commission VS. Lokation Real Estate LLC and Doris Armstrong, Formal Complaint 24-029**

Lokation Real Estate LLC, Company, Birmingham, Alabama and Doris Armstrong, Qualifying Broker, Lokation Real Estate LLC, Birmingham, Alabama were charged for violating Code of Alabama, 1975, Section 34-27-36(a)(19) by disregarding Code of Alabama, 1975, Section 34-27-36(a)(14) which prohibits licensees from being paid by anyone other than their qualifying broker for licensed activity.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to find Lokation Real Estate guilty. Commissioner Dye seconded the motion and it passed unanimously 7-0. Commissioner Dye made a motion to fine Lokation Real Estate \$2,500. Commissioner Echols seconded the motion and it passed unanimously 7-0. Commissioner Tucker Smith made a motion to find Ms. Armstrong guilty. Commissioner Echols seconded the motion and it passed unanimously 7-0. Commissioner Tucker Smith made a motion to fine Ms. Armstrong \$2,500. Commissioner McKinney seconded the motion and it passed unanimously 7-0.

**Sarah Howse - Application for Real Estate Salesperson Temporary License, Investigative File 24-164**

Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to approve Ms. Howse's application. Commissioner Barelare seconded the motion and it passed unanimously 7-0.

**Cassandra Gail Ros - Application for Determination of Licensing Eligibility, Investigative File 24-195**

Upon discussion of the evidence and testimony presented in this matter, Commissioner McKinney made a motion to approve Ms. Ros' application. Commissioner Echols seconded the motion and it passed unanimously 7-0.

**Sheneka Shantae Reeves - Application for Real Estate Salesperson Temporary License, Investigative File 24-199**

Upon discussion of the evidence and testimony presented in this matter, Commissioner Echols made a motion to approve Ms. Reeves' application. Commissioner Tucker Smith seconded the motion and it passed unanimously 7-0.

**Alabama Real Estate Commission VS. Karin W. Murphy, Formal Complaint 24-079**

Karin W. Murphy, Inactive Salesperson, Mobile, Alabama was charged with violating Code of Alabama, 1975, Section 34-27-36(a)(19) by violating Section 34-27-30 by getting paid for performing activities that require an active real estate license while holding an inactive real estate license.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to find Ms. Murphy guilty. Commissioner McKinney seconded the motion and it passed 6-1 with Commissioner Dye abstaining. Commissioner McKinney made a motion to fine Ms. Murphy \$250. Commissioner Tucker Smith seconded the motion and it passed 6-1 with Commissioner Dye abstaining.

**Jordan Marie Schilleci - Application for Real Estate Salesperson Reciprocal License, Investigative File 24-052**

Commission General Counsel Starla Leverette advised Commissioners that this hearing was continued to the May 23, 2024, Commission meeting.

**Alabama Real Estate Commission VS. Oksana V. Leslie, Formal Complaint 24-114**

Oksana V. Leslie, Salesperson, Carpenter Homes Inc. DBA Re/Max Legacy Group, Mobile, Alabama was charged with violating Code of Alabama, 1975, Section 34-27-31(j) in that she failed to notify the Commission within ten days after notice to her of the institution of a civil summons and complaint against her.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to find Ms. Leslie guilty. Commissioner Echols seconded the motion and it passed unanimously 7-0. Commissioner Tucker Smith made a motion to fine Ms. Leslie \$500. Commissioner McKinney seconded the motion and it passed unanimously 7-0.

The Commission will determine whether it conducts its disciplinary hearing disposition discussions and decisions in an Open Meeting or call an Executive Session.

Chairman Campbell asked for a motion to remain in open session or go into executive session for approximately thirty minutes to deliberate these cases in accordance with the Alabama Open Meetings Act, *Code of Alabama* 36-25A-7(a)(9). Commissioner Lucas Robinson made a motion that Commissioners go into executive session at 12:34 p.m. and return in approximately 30 minutes. Commissioner Dye seconded the motion and it passed unanimously 8-0.

At 1:26 p.m. Commissioners returned with seven of the eight Commissioners named during the initial 9:00 a.m. roll call present. Commissioner Teri May had to leave the meeting at 12:40 p.m. and was not present for the executive session or the deliberations. Chairman Campbell asked for a motion to return to open session. Commissioner Tucker Smith made a motion to return to open session. Commissioner Lucas Robinson seconded the motion and it passed unanimously 7-0.

**Confirm June 20, 2024, Meeting Date and Location for the Record:** Thursday, June 20, 2024, 9:00 a.m. in Montgomery, Alabama

Commissioner Tucker Smith made a motion to confirm the June meeting for June 20, 2024, at 9:00 a.m. in Montgomery, Alabama. Commissioner Lucas Robinson seconded the motion and it passed 7-0.

**Next Commission Meeting:** Thursday, May 23, 2024, 9:00 a.m. in Montgomery, Alabama.

There being no further business, Commissioner Lucas Robinson made a motion to adjourn the meeting at 1:40 p.m. Commissioner McKinney seconded the motion and it passed unanimously 7-0.

Done this 25<sup>th</sup> day of April 2024.

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Jimmie Ann Campbell, Chair

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Lori Moneyham, Recording Secretary