MINUTES

A meeting of the Alabama Real Estate Commission was held Thursday, January 19, 2017 at the offices of the Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, Alabama.

Those present were Chairman Bill Watts; Vice Chairman Carole Harrison; Commissioners Steve Cawthon, Reid Cummings, Dorothy Riggins-Allen, Danny Sharp, and Nancy Wright; Executive Director Patricia Anderson; Assistant Executive Director Teresa Hoffman; General Counsel Chris Booth; Assistant General Counsel Mandy Lynn; Investigators David Erfman, Chuck Kelly, K. C. Baldwin, and Rickey Fennie; and Auditor Vickie Shackleford. The Hearing Officer was Jim Hampton. Commissioners Cindy Denney and Clif Miller were absent with notice.

Other staff members in attendance for all or part of the meeting were Public Relations Manager Vernita Oliver-Lane; Public Relations Specialist Lori Moneyham; Education Director Ryan Adair; Licensing Administrator Anthony Griffin; Accounting and Personnel Director Molli Jones; Information Technology Manager Brett Scott and Staff Accountant Pam Garner.

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

Chairman Watts recognized Carol Andrews who was present to observe the meeting.

Commissioner Cawthon made a motion to approve the minutes from the November 30, 2016 meeting. Commissioner Wright seconded the motion and it passed unanimously 7-0.

Executive Director Patricia Anderson presented the financial report for the first quarter of fiscal year 2017. Revenues are ahead of where they were in the first quarter of FY16. Expenditures are slightly ahead of where they were in the first-quarter of FY16, but are below projections. There has been an increase in original licenses, temporary licenses, and transferred and activated licenses. The examination pass rates continue to improve. Commissioners received a report showing the amount that was received for and transmitted to the Alabama Center for Real Estate (ACRE) in FY16.

Ms. Anderson provided information to Commissioners on the Alabama Association of REALTORS® Capitol Conference, scheduled for February 12-14, 2017 in Montgomery. Commissioners were reminded that the Alabama Center for Real Estate's Commercial Conference, ACREcon, will be held on February 10, 2017 in Birmingham, Alabama. Ms. Anderson also reported that only one signed copy of the in-state travel form is now required for reimbursement and mileage has decreased to 53.5 cents per mile.

Commission Accounting and Personnel Director Molli Jones introduced new Accounting Division staff member Pam Garner. Ms. Garner has been with the state for over two years and came to the Commission from the State of Alabama Accounting and Resource System (STAARS) office.

Commission strategic planning consultant JDanny Cooper reported on the meetings of the Joint Legislative Task Force on Budget Reform. He also provided an update on a meeting with the Senate sponsor regarding the Commission's bill that will be presented in the 2017 legislative session. Ms. Anderson reminded Commissioners that the legislative session will begin on February 7, 2017.

Chairman Watts requested an executive session at 2:00 p.m. to discuss the general reputation and character of an individual. Commissioner Wright made a motion to go in to executive session for 20 minutes, with the intent to reconvene in an open meeting following the executive session, to discuss the general reputation and character of an individual. Commissioner Cawthon seconded the motion and it passed unanimously 7-0 with Commissioners voting as follows: Chairman Watts (Yes), Vice Chairman Cawthon (Yes), Commissioner Wright (Yes), Commissioner Harrison (Yes), Commissioner Cummings (Yes), Commissioner Riggins-Allen (Yes) and Commissioner Sharp (Yes). The executive session ended at 2:20 p.m. and the open meeting resumed with Chairman Watts, Vice Chairman Cawthon and Commissioners Wright, Harrison, Cummings, Riggins-Allen and Sharp present. No vote was taken in executive session.

HEARINGS

<u>Alabama Real Estate Commission vs. Hamid Reza (Cyrus) Haghshenas, Formal Complaint No.</u> 3404

Hamid Reza (Cyrus) Haghshenas, Salesperson, Leading Edge Realty, LLC, d/b/a Leading Edge Real Estate Group, Huntsville, Alabama, was charged with violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(23)a. by entering a plea of guilty or nolo contendere to, or having been found guilty of a felony or a crime involving moral turpitude. Commissioner Sharp made a motion to approve Mr. Haghshenas for licensure. Commissioner Riggins-Allen seconded the motion and it passed unanimously 7-0. Following discussion, Commissioner Wright made a motion to reverse the original motion as well as the vote since Mr. Haghshenas had already received his license. Commissioner Harrison seconded the motion and it passed unanimously 7-0. Commissioner Cummings then made a motion to find Mr. Haghshenas guilty with no penalty. Commissioner Wright seconded the motion and it passed unanimously 7-0.

Raymond Mikeith Howard, Application for Determination of Licensing Eligibility, Investigative File I-14,951

Upon discussion of the evidence and testimony presented by Mr. Howard regarding his application for determination of licensing eligibility, Commissioner Cawthon made a motion to approve his application pending payment of all fines and restitution. Commissioner Sharp seconded the motion and it passed unanimously 7-0.

Alabama Real Estate Commission vs. Renee S. Higginbotham and M and R Realty LLC, Formal Complaint No. 3406

Renee S. Higginbotham and M and R Realty, LLC, Oneonta, Alabama, in their positions as qualifying broker and real estate company, were charged with violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(8)a., by failing to properly account for or remit money coming into their possession which belonged to others. Commissioner Cummings made a motion to find Ms. Higginbotham and M and R Realty guilty and fine them \$500 each. Commissioner Riggins-Allen seconded the motion and it passed unanimously 7-0.

Alabama Real Estate Commission vs. Praytor Realty Company Inc., Praytor Properties and Hugh T. Praytor III, Formal Complaint No. 3400

Hugh T. Praytor III Qualifying Broker, Praytor Realty Company, Mobile, Alabama and Praytor Realty Company Inc., Mobile, Alabama were charged on Count 1 with violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19), by failing to obey an order set by the Commission to pay a fine in the matter of Formal Complaint #3376.

Hugh T. Praytor III was charged on Count 2 with violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19), by failing to notify the Commission within ten days of the institution of a civil suit against him which related to a real estate transaction that was in violation of Section 34-27-31(j).

Praytor Realty was charged on Count 3 with violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(23)b., by having a settlement in the matter of a civil suit and failing to notify the Commission of the disposition of that case and charged on Count 4 with violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(23)b. by having a final money judgement for an act or omission in the pursuit of real estate brokerage activities or involving the goodwill of an existing real estate business.

Praytor Realty, Hugh T. Praytor III and Praytor Properties, Company, Mobile, Alabama were charged on Count 5 for violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19), by failing to notify the Commission within ten days of the institution of a civil suit against them which related to a real estate transaction that was in violation of Section 34-27-31(j) and charged on Count 6 for violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19), by failing to notify the Commission within ten days of the disposition of a civil suit against them which related to a real estate transaction that was in violation of Section 34-27-31(k).

Commissioner Cummings made a motion to dismiss Count 1 against Mr. Praytor and Praytor Realty. Commissioner Riggins-Allen seconded the motion and it passed unanimously 7-0. Commissioner Wright made a motion find Mr. Praytor guilty on Count 2. Commissioner Harrison seconded the motion and it passed unanimously 7-0. Commissioner Cawthon made a motion find Praytor Realty guilty on Count 3. Commissioner Wright seconded the motion and it passed unanimously 7-0. Commissioner Sharp made a motion to find Praytor Realty guilty on Count 4. Commissioner Riggins-Allen seconded the motion and it passed unanimously 7-0.

Commissioner Cawthon made a motion to find Mr. Praytor, Praytor Realty and Praytor Properties guilty on Count 5. Commissioner Wright seconded the motion and it passed unanimously 7-0. Count 6 against Mr. Praytor, Praytor Realty and Praytor properties was dismissed by the hearing officer. After considering prior disciplinary actions on previous Formal Complaints, Commissioner Cawthon made a motion to revoke the license of Mr. Praytor on Counts 2 and 5; to revoke the license of Praytor Realty on Counts 3, 4 and 5; and to revoke the license of Praytor Properties on Count 5. Commissioner Wright seconded the motion and it passed unanimously 7-0.

Brynn Elizabeth Herring, Application for Determination of Licensing Eligibility, Investigative File I-14,959

Upon discussion of the evidence and testimony presented by Ms. Herring regarding her application for determination of licensing eligibility, Commissioner Cummings made a motion to approve her application. Commissioner Sharp seconded the motion and it passed unanimously 7-0.

<u>Tremain Crutcher, Application for Determination of Licensing Eligibility. Investigative File</u> <u>I-14,953</u>

Upon discussion of the evidence and testimony presented by Mr. Crutcher regarding his application for determination of licensing eligibility, Commissioner Cummings made a motion to approve his application pending payment of all fines and restitution. Commissioner Wright seconded the motion and it passed unanimously 7-0.

Michael H. Lait, Application for Determination of Licensing Eligibility, Investigative File <u>I-14,923</u>

Upon discussion of the evidence and testimony presented by Mr. Lait regarding his application for determination of licensing eligibility, Commissioner Cummings made a motion to approve his application. Commissioner Wright seconded the motion and it passed unanimously 7-0.

NOT APPEARING ITEMS FOR DISCUSSION

Jill Lori Collins, Waiver of Hearing and Guilty Plea for Bad Check, Formal Complaint No. 3405

Upon review of the evidence and testimony regarding Jill Lori Collins, Salesperson, Avast Realty LLC, Orange Beach, Alabama, and the alleged violation of the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(16) in that she presented to the Alabama Real Estate Commission, as payment for a fee or fine, a check which was returned unpaid by the bank upon which it was drawn, Commissioner Cawthon made a motion to dismiss the charge. Commissioner Wright seconded the motion and it passed unanimously 7-0.

Quincy Lamar Wiggins, Request for Consideration of Proposed Settlement, Formal Complaint No. 3385

Commissioners received additional testimony in Mr. Wiggins' case at the November 30, 2016 Commission meeting as ordered by Judge Hall. Transcripts of the new testimony have been provided to the judge, but she has not yet ruled. In the meantime, Mr. Wiggins proposed a settlement through his attorney. Commissioners reviewed the proposed settlement and took no action.

Next Commission Meeting: February 14, 2017, 1:00 p.m. in Montgomery

Confirm March Meeting Date and Location for the Record: **March 23, 2017, 9:00 a.m. in Montgomery**

Commissioner Wright made a motion that the March Commission meeting be confirmed for March 23, 2017 at 9:00 a.m. in Montgomery. Commissioner Sharp seconded the motion and it passed unanimously 7-0.

There being no further business, the meeting adjourned at 2:45 p.m.
Done this 19 th day of January, 2017.
ill Watts, Chairman
ori Moneyham, Recording Secretary