

MINUTES

A meeting of the Alabama Real Estate Commission was held June 20, 2024, at the office of the Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, Alabama.

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

Chairman Campbell called the roll and the following Commissioners indicated their presence with a spoken "present": Vice Chairman Randy McKinney, Commissioners Betsy Echols, Jim Dye, Cerita Tucker Smith, Terri May, Em Barran, and Kim Barelare. A quorum was declared. Commissioner Deborah Lucas Robinson 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; Education Director Ryan Adair; Communications and Public Relations Director Lori Moneyham; Information Technology Director Eric Aldridge; Accounting and Personnel Director Barbi Lee; Licensing Administrator Anthony Griffin; Accountant Cortnie Matthews; and Information Technology Programmer Chris Prestridge. The Hearing Officer was Jim Hampton.

Investigator K. C. Baldwin led the assembly in the Pledge of Allegiance.

APPROVAL OF THE MINUTES

Chairman Campbell asked for a motion to approve the minutes from the May 23, 2024, Commission meeting. Commissioner May made a motion to approve the minutes from the May 23 meeting. Commissioner Echols seconded the motion and it passed 8-0.

EXECUTIVE DIRECTOR'S REPORT

Director Poe introduced new staff member staff accountant Cortnie Matthews. Ms. Matthews joined the Commission from the Alabama Department of Conservation and Natural Resources.

Director Poe informed Commissioners that progress was being made on the roof repair. A new claims adjuster has been assigned to the Commission's storm damage claim. There will be a meeting on June 26, 2024, with Stan Morrow of ClaimsPro to review the claim and present the insurance company's position on storm damage to the building's roof, exterior, and interior.

Director Poe presented the May financial report and gave Commissioners an update on revenues and expenditures in the operating and recovery fund accounts. The Commission's budget projections continue to be aligned with actual revenues and expenditures.

Thus far, the Commission has paid \$461,545.82 to other state agencies. We are currently on schedule to pay out approximately \$1 million this fiscal year to this line item. Fixed costs and expenditures continue to rise, while license fees have not increased in over two decades.

There have been no recovery fund payouts in the past 30 days.

Director Poe reported the Commission has issued 42,652 total licenses and there are currently 36,971 unique individuals licensed. The growth rate for May 2024 was 7.32 new license applications per day, reflecting a drop in new broker license applications from 76 in April to 38 in May.

There are currently 796 active education approvals, consisting of instructors, administrators, and schools. There were six education audits during the month of May which included one salesperson prelicense course, one post license course, three continuing education courses, and one real estate school.

The legal auditors performed 13 company audits in May and there were three assistance visit requests. The Commission is continuing to prioritize and schedule those companies that have not been audited in over three years.

There was no Coffee With the Commission held in July 2024. The next one is scheduled for August 21, the day before the August Commission meeting.

The quarterly edition of Briefly Legal was held on June 6 on Microsoft Teams. General counsel Starla Leverette, education specialist Pam Oates, and licensing clerk Pam Taylor discussed the renewal process and offered helpful suggestions to licensees to make that process as smooth as possible. There were 23 attendees.

Director Poe reminded Commissioners of upcoming dates. The 2024 Association of Real Estate License Officials (ARELLO) Annual Conference will be held September 23-25, 2024, in Chicago, Illinois. The registration deadline is August 2 and the hotel room block cut-off is August 14. He asked Commissioners to contact Accounting and Personnel Director Barbi Lee to submit requests for out-of-state travel approval. The Commission office will be closed on July 4 in observance of Independence Day. A Commissioner workshop will be held on August 21. This will be the first of a speaker series for Commissioners and former Commissioner Danny Sharp will speak at 3:00 p.m.

COMMISSIONER DISCUSSION

Commission General Counsel Starla Leverette provided a report to Commissioners on short-term rentals (AirBNBs, Vrbo, etc.). She advised that the Commission's Legal Division has prepared a memo on short-term rentals. She explained there is a gray area in which people who serve as hosts, who are not owners, may possibly cross the line into performing activities that require a real estate license. The memo provides guidelines outlining what duties rental hosts can and cannot perform. As with unlicensed assistants, short-term hosts cannot post listings, market property, advertise as hosts on their personal social media sites, handle money, negotiate rates, nor perform any other activities that require a real estate license.

HEARINGS – 9:30 a.m. Docket

Alabama Real Estate Commission VS. Zads Property Management Group LLC and Darrell Brown, Formal Complaint 24-306

Darrell Brown, Qualifying Broker, Zads Property Management Group LLC, Harvest, Alabama and Zads Property Management Group LLC were charged for violating *Code of Alabama, 1975*, Section 34-27-27(a)(8) by commingling money belonging to others with their own funds.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Barran made a motion to find Zads Property Management guilty. Commissioner May seconded the motion and it passed 8-0-0. Commissioner Barran made a motion to fine Zads \$250. Commissioner Echols seconded the motion and it passed 8-0-0. Commissioner Tucker Smith made a motion to find Mr. Brown guilty. Commissioner Barelare seconded the motion and it passed 8-0-0. Commissioner Dye made a motion to fine Mr. Brown \$100. Commissioner Barran seconded the motion and it passed 7-1-0 with Commissioner Echols voting against the motion.

Tameka Smith Holt - Application for Real Estate Temporary Salesperson License, Hearing 24-308

Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to approve Ms. Holt’s application. Commissioner McKinney seconded the motion and it passed 8-0-0.

Jason Lee Pugh – Application for Real Estate Temporary Salesperson License, Hearing 24-336

Upon discussion of the evidence and testimony presented in this matter, Commissioner Barran made a motion to deny Mr. Pugh’s application. Commissioner Echols seconded the motion and it passed 8-0-0

Alabama Real Estate Commission VS. Renters Choice Property Management Inc. and Megan Beth Stout, Formal Complaint 24-298

Megan Beth Stout, Qualifying Broker, Renters Choice Property Management Inc., Madison, Alabama and Renters Choice Property Management Inc, Company, Madison, Alabama were charged for violating *Code of Alabama, 1975*, Section 34-27-36(a)(8) by failing to properly account for or remit money coming into their possession which belongs to others, or by commingling money belonging to others with their own funds.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Dye made a motion to find Renters Choice guilty. Commissioner Barelare seconded the motion and it passed 8-0-0. Commissioner Echols made a motion to revoke the license of Renters Choice. Commissioner May seconded the motion and it passed 8-0-0. Commissioner Dye made a motion to find Ms. Stout guilty; Commissioner Barran seconded the motion and it passed 8-0-0. Commissioner Dye made a motion to fine Ms. Stout \$100. Commissioner Echols seconded the motion and it passed 6-2-0 with Commissioners May and McKinney voting against the motion. Commissioner McKinney offered an amendment to the motion to include that Renters Choice be reaudited within the next 30

days, to ensure there were sufficient funds to satisfy liabilities and no customers were harmed. Commissioner Dye seconded the motion and it passed 8-0-0.

Alabama Real Estate Commission VS. Ashley Eyvette Jackson, Formal Complaint 23-297

Commission General Counsel Starla Leverette advised Commissioners that this case has been continued until the October 24, 2024, meeting.

Alabama Real Estate Commission VS. Jordan Fuqua, Formal Complaint 24-004

Commission General Counsel Starla Leverette advised Commissioners that this case has been continued indefinitely.

Alabama Real Estate Commission VS. Gwendolyn Dukes, Formal Complaint 24-201

Gwendolyn Dukes, Pre-Registration Applicant, Selma, Alabama was charged for violating *Code of Alabama, 1975* Sections 34-27-36(c)(2) and 34-27-30 by offering to aid in locating real estate situated within the state of Alabama with the intention or expectation of receiving valuable consideration.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Barran made a motion to find Ms. Dukes guilty. Commissioner Echols seconded the motion and it passed 8-0-0. Commissioner Barran made a motion to fine Ms. Dukes \$2,500. Commissioner Tucker Smith seconded the motion and it passed 8-0-0.

Brianna Allison Hogg – Application for Determination of Licensing Eligibility, Hearing 24-258

Upon discussion of the evidence and testimony presented in this matter, Commissioner Dye made a motion to approve Ms. Hogg’s application. Commissioner McKinney seconded the motion and it passed 8-0-0.

Alabama Real Estate Commission VS. Aurelia Johnson, Formal Complaint 24-173

Aurelia Johnson, Qualifying Broker, Montgomery, Alabama was charged for violating *Code of Alabama, 1975* Section 34-27-36(a)(16) by presenting to the Commission, as payment for a fee or fine, a check which was returned unpaid by the bank upon which it was drawn.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Echols made a motion to find Ms. Johnson guilty. Commissioner Barran seconded the motion and it passed 8-0-0. Commissioner Dye made a motion to fine Ms. Johnson \$100. Commissioner Barran seconded the motion and it passed 6-2-0 with Commissioners May and McKinney voting against the motion.

Commissioner May noted that Ms. Johnson took responsibility for her actions, in lieu of signing a Consent Decree, and appeared humble and apologetic before the Commission.

Carl Alden Williams – Application for Real Estate Temporary Salesperson License, Hearing 24-286

Upon discussion of the evidence and testimony presented in this matter, Commissioner Barran made a motion to approve Mr. Williams’ application. Commissioner Barelare seconded the motion and it passed 8-0-0.

Alabama Real Estate Commission VS. Wilda Hameen, Formal Complaint 24-014

Wilda Hameem, Temporary Salesperson, Cullman, Alabama was charged for violating *Code of Alabama, 1975* Section 34-27-36(a)(16) by presenting to the Commission, as payment for a fee or fine, a check which was returned unpaid by the bank upon which it was drawn.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Tucker Smith made a motion to find Ms. Hameen guilty. Commissioner Barelare seconded the motion and it passed 8-0-0. Commissioner Tucker Smith made a motion to fine Ms. Hameen \$100. Commissioner Barelare seconded the motion and it passed 6-2-0 with Commissioners May and McKinney voting against the motion.

Commissioner May noted that Ms. Hameen took responsibility for her actions, in lieu of signing a Consent Decree, and appeared humble and apologetic before the Commission.

Alabama Real Estate Commission VS. Larissa Hall, Formal Complaint 24-022

Commission General Counsel Starla Leverette advised Commissioners that this case has been continued until the August 22, 2024, meeting.

Alabama Real Estate Commission VS. Shannon Rae Sharpe, Formal Complaint 3700

Shannon Rae Sharpe, Reciprocal Qualifying Broker, Troutman, North Carolina was charged for violating *Code of Alabama, 1975* Section 34-27-36(a)(16) by presenting to the Commission, as payment for a fee or fine, a check which was returned unpaid by the bank upon which it was drawn.

Upon discussion of the evidence and testimony presented in this matter, Commissioner May made a motion to find Ms. Sharpe guilty. Commissioner Barran seconded the motion and it passed 8-0-0. Commissioner May made a motion to revoke Ms. Sharpe’s license and fine her \$2,500. Commissioner McKinney seconded the motion and it passed. 8-0-0.

Commissioner May noted that Qualifying Brokers should be more attuned to the Commission’s laws and operations and the request for compliance.

Alabama Real Estate Commission VS. Jason B. McKnight, Formal Complaint 24-312

Commission General Counsel Starla Leverette advised Commissioners that Mr. McKnight was incarcerated and the hearing would proceed without him being present.

Jason B. McKnight, Salesperson, Shannon, Alabama was charged for violating *Code of Alabama, 1975* Section 34-27-36(a)(19) by failing to comply with Section 34-27-31(j) by failing to notify the Commission within 10 days of receiving notice of criminal complaints and/or arrests against him.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Barran made a motion to find Mr. McKnight guilty. Commissioner Dye seconded the motion and it passed 8-0-0. Commissioner Dye made a motion to fine Mr. McKnight \$1,000. Commissioner Barran seconded the motion and it passed 8-0-0.

CONSENT DECREES

Alabama Real Estate Commission VS. Renee Beasley, Formal Complaint 24-101

Alabama Real Estate Commission VS. Amy Fay Jones, Formal Complaint 24-133

Commissioner Barran made a motion to accept the Consent Decrees. Commissioner McKinney seconded the motion and it passed 8-0-0.

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 Barran made a motion that Commissioners go into executive session at 12:30 p.m. 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 May seconded the motion and it passed 8-0-0.

At 1:08 p.m., Commissioners returned with all Commissioners named during the initial 9:00 a.m. roll call present. Chairman Campbell asked for a motion to return to open session. Commissioner Barelare made a motion to return to open session. Commissioner May seconded the motion and it passed 8-0-0.

Confirm September 19, 2024, Meeting Date and Location for the Record: Thursday, September 19, 2024, at 9:00 a.m. in Montgomery, Alabama

Commissioner Tucker Smith made a motion to confirm the September meeting for Thursday, September 19, 2024, at 9:00 a.m. in Montgomery, Alabama. Commissioner McKinney seconded the motion and it passed 8-0-0.

Next Commission Meeting: Thursday, August 22, 2024, 9:00 a.m. in Montgomery, Alabama.
There will not be a July 2024 Commission meeting.

There being no further business, Commissioner McKinney made a motion to adjourn the meeting at 1:26 p.m. Commissioner May seconded the motion and it passed 8-0-0.

Done this 20th day of June 2024.

Jimmie Ann Campbell, Chair

Lori Moneyham, Recording Secretary