

Indiana Real Estate Commission Newsletter

Chairman's Report

By Michael Lunsford, Commission Chair

We are blessed with an outstanding staff serving our licensees. They do a wonderful job discussing some of the work and projects in process. Please take time to review this letter and also the IREC website. One of our goals is to become as user-friendly as possible in providing information and tools for your online use.



The new license law bill is nearly through the legislative process. It started in both houses. Since the Senate passed first, with more of the changes that were recommended, the leadership decided to take this bill to the House and drop the House version. With few minor changes it passed last week 94-0. The Senate will vote on it before March 9th. The major question we have heard is regarding the transition and what is expected of licensees with the

7/1/12 renewal. You will do nothing different. There will be a transition course made up of CE classes Sales Associates will take over the next two years. At the 7/1/14 renewal everyone who has completed the appropriate coursework will be renewed as a Broker.

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Director's Update

By Jeanette Roberts, Director

2012 is going to be an exciting year for the Indiana Real Estate Commission. We have many great changes planned this year that will improve efficiency and communication between the Commission and licensees. As some of you may know, the Indiana legislature is currently in the process of reviewing legislation that will modernize Indiana real estate

license law. Additionally, the Commission is exploring an online transfer application and an update to the seller's disclosure form. Please contact the Commission at pla9@pla.in.gov with any comments or suggestions, as we strive to make your experience with the Commission and its staff more enriching.

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Newsletter Information

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A key component of this bill is allowing the Commission to direct the content of our continuing education. This is a great opportunity for input from our licensees to provide valuable, informative, and interesting education, benefitting all licensees.

On a different note, the Commission has recently seen a number of cases regarding the unlicensed practice of real estate. The Attorney General's office is taking this violation seriously. As a licensee, you understand the rules. Use this knowledge to alert those who may not share your understanding, as well as those who may be practicing without a license. Consumers are better served when we all look out for their interests, and ensure that they are dealing in their real estate business with an individual who can competently meet their needs.

Have a safe and prosperous 2012!

- IREC Chairman Michael Lunsford

Contact Us

Have a question about real estate licensing? Need to change information on file with the Commission? Feel free to contact the real estate staff at IPLA by any of the following methods:

Phone: (317) 234-3009

E-mail: pla9@pla.in.gov

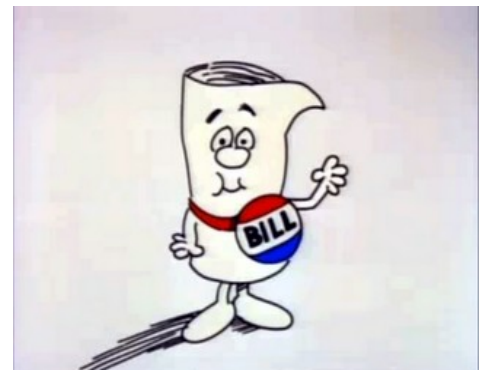
Fax: (317) 233-4236

Founding Licensees

After the previous newsletter went out, we received feedback on the issue, and one message stood out. Garrick Mallery, a broker, explained that he has been licensed as real estate professional since September 1, 1949, which we confirmed in our license database. This peaked our curiosity, and we began to wonder how many brokers or salespersons can equal Mr. Mallery's achievement. If you can match his time of licensure, and would not mind being recognized for this feat, please feel free to pass along your information for an upcoming issue of this newsletter.

I'm Just a Bill!

Chairman Lunsford discussed upcoming changes to real estate license law in the last newsletter, and these changes have since been compiled into legislation in the form of Senate Bill 0275. The bill is still going through the stages of the legislative process, but the bill will bring changes to the way real estate professionals are licensed in Indiana. For information on what changes the bill will bring, and information as the bill continues through the legislative process, please visit the Indiana General Assembly site by clicking the following link: [Indiana Legislature](http://www.in.gov/legislative). You can access more information on this bill by searching for SB0275. Also, please check the IREC website as information becomes available.



Technical Issues

Forms, Forms, and More Forms

It sometimes feels like you spend our lives filling out form after form. Whether its personal or business, every entity you deal with has mountains of forms ready for you to fill out to accomplish any task. It is no different when it comes to your real estate practices. There are application forms, forms to transfer from company to company, and forms to open and close a company. All of these forms, however, make it easier for the Commission to process your transactions in a more efficient manner, and let you get to the work you need to get done.

If you haven't already, now is a good time to check out the forms that the Commission keeps on its

website (see link below). Here you will find applications for all kinds of licenses, instructions on how to complete them, and many other forms for use in your day to day real estate business.

It is important that you use forms found on this site, because they are regularly updated. Using an old form can lead to delays in the processing of your transactions.

Commission Website

If you have been watching closely over the past several months, you may have noticed the website for the Real Estate Commission changing in many ways. Some changes are cosmetic, others more substantive. All these changes have been made in order to make your interactions with the Commission easier and to improve access to necessary information. There is a new and improved FAQ area, forms and instructions have been improved and updated, additional links have been added, and alerts have been added to the top of the page. If you haven't already, please take some time to review the information found on our site, as we believe it can prove very useful in your everyday business. If you notice something that is missing, or you believe would be helpful, please feel free to let us know. We are always working to improve the way the Commission does its business, and to help you conduct your own.

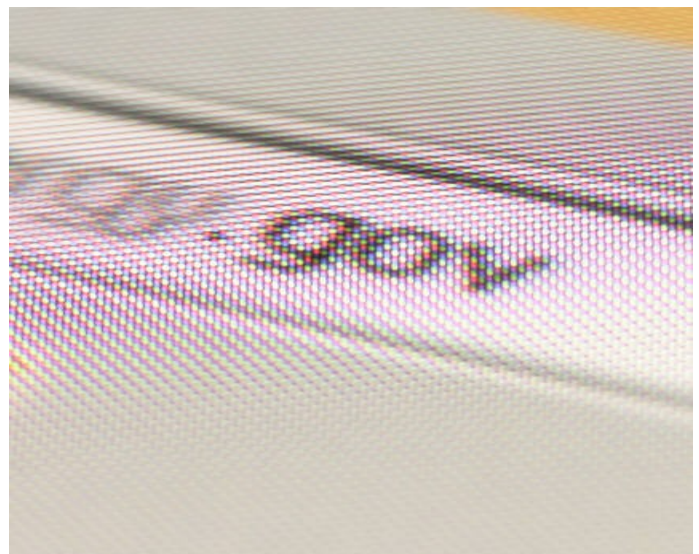
Forms



For any Commission forms, please visit the Applications and Instructions page, found here: <http://www.in.gov/pla/2788.htm>

An Apple a Day?

During the previous license renewal for brokers, several users had difficulty accessing the online system for renewal. It was discovered that a common cause of the issue was that licensees were attempting to access the site from Apple brand computers, and/or from browsers other than Internet Explorer. All programming for the IPLA site occurs in an Internet Explorer environment, and this is currently the best way to access the services of our online licensing system. If you are using an Apple computer, or accessing from a different browser, and you encounter difficulties, please try another computer or browser to address this issue. If you continue to encounter difficulty after this, please contact Commission staff at pla9@pla.in.gov.



Education

Continuing Education Audits

With continuing education requirements being discussed in the previous issue, we thought it appropriate to discuss the way the Commission reviews compliance with the requirements in this issue.

Audits

When you renew your real estate license, you are asked if you have failed to complete your required continuing education. Any licensee who is active (that is, not Inactive or in Referral status) is required to complete continuing education, as was discussed in the previous newsletter. By answering this question, you are attesting that you either have or have not completed the required continuing education. If you answer that you have not completed but are requesting to hold an active license, further steps may be required to complete your renewal. If you answer that you have completed the required education, and there are no other questions to which you answered "Yes," then your renewal will be processed immediately.

After renewals are completed, state law (IC 25-1-4-3) requires that IPLA audit a certain percentage of those individuals who renewed their licenses. This audit, in the context of continuing education, is to determine if those answering that they had completed their continuing education answered correctly. IPLA selects a list of around 1-3 percent of renewed licenses at random, and sends a message to these individuals. The message asks for these licensees to submit copies of their continuing education certificates for the prior renewal period.

If an individual demonstrates that they have successfully completed the required coursework, their participation in the audit is completed. Those who fail to respond, or are unable to produce certificates confirming their attendance at continuing education, can be fined and/or have their license suspended.

For more information about the continuing education audit process, please review the law compilation available on the Commission website.

Important Note

Please note that the question on the referral asks if you, **at that time**, have failed to complete your required continuing education. Answering "No" is not accurate if you plan to complete the CE at a later date. If your answer indicates that you have completed the requirements, but in fact do so at a later date, you can be subject to disciplinary action.



Continuing Education Certificates

What does the audit mean to you? Whenever you complete your continuing education, always be sure to save any completion certificates which show the course names, course hours, your name and license number, and the date the courses were completed. If you happen to be selected in a random audit, you will be asked to submit copies of these certificates. If you attend a course and do not receive a certificate, please be sure to contact the course provider to obtain this documentation.

Important Note

If you find that you are unable to locate certificates from your completed continuing education courses, please contact the course provider as they maintain records of your attendance.

In Practice

In Good Company

Many real estate licensees work on their own, as sole practitioners. But an equally significant group operate broker companies, with many brokers and salespersons associating with the companies.

There are many considerations that come into play with an organization operating as a real estate company. When it comes to license law, the most fundamental of these concerns would have to be the opening and closing of a real estate company. While many companies follow the correct procedure when appropriate, not all brokers know every step of the process. Below is a step-by-step guide to opening and closing a real estate company.

Opening a Broker Company

The following procedure is required to open a real estate broker company and properly register it in Indiana. For more details on this process, or related questions, please visit the Commission website.

1. Contact the Indiana Secretary of State to register your company with the agency. Click here: [IN SOS– Business Division](#).
2. Once you complete registration with the S.O.S., submit a copy of the Certificate of Organization to IPLA, along with a completed Commission registration form, found here: [IREC– Applications](#), along with the required license fee.
3. If opening a broker company with multiple branch offices, complete a Branch Office Registration form (see link above) for each branch office.

Need the forms?



For any of the Commission forms mentioned herein, please visit the Applications and Instructions page, found here: <http://www.in.gov/pla/2788.htm>

Closing a Broker Company

If you choose to cease operation as a real estate company, the following procedure must be followed to correctly close the company. For more details, or related questions, please visit the Commission website.

1. Using the transfer (or “Reassignment”) form found on the Commission applications page, transfer all associated licensees out of the company you are closing. All associated licensees must be transferred out of the company prior to closing.
2. Send written request to IPLA and provide the company information for the company you wish to close.



Important Note



If you are closing your company, it is important that you first transfer any associates out of the company. This allows these licensees to either associate with another company, or maintain their license on their own.

Commission

Commissioner Spotlight—James Litten

Commissioner Litten was appointed to the Real Estate Commission in 1991, and has since served under four different governors. He has been elected Chairman of the Commission three times, and worked as administrative law judge, as well as serving many other roles on committees.

Mr. Litten entered the real estate profession in 1972, earning a broker license. He started as an associate with the company he currently owns and operates, F.C. Tucker. Before entering the real estate business, Mr. Litten attended Ohio University on a football scholarship. He was later a lieutenant in the U.S. Army, serving as a company commander in Vietnam. During his service overseas, Mr. Litten was awarded a Bronze Star.

Mr. Litten feels honored to have served the public in his many roles on the Commission, and cites work leading to the passage of agency law and seller’s disclosure law as highlights of his tenure. He also feels privileged to have served with many fine commissioners who have served the state honorably.



Commission Meetings

Commission meetings are open to the public, and attendance by licensees is always encouraged. Meetings begin at 9:00 a.m., and are held in the Indiana Government Center South building. Below are the dates for 2012.

2012

February 8 (*changed from Jan. 25*)

- March 7
- April 25
- June 6
- July 11
- August 22
- October 3
- December 5

Members of the Commission

<u>Member</u>	<u>Congressional District</u>
Mark R. Bock	3rd
Paul Boyter, Vice Chairman	At-Large
Jarod Brown	Consumer
Suzan M. Cox	2nd
Susan Daniel	Consumer
D.J. Hines	9th
H. James Litten	5th
Michael O. Lunsford, Chairman	6th
Norman E. McClain	7th
Carolyn McClintock	8th
Timothy Reed	1st
Charles W. Shook	4th

License Discipline


In its task of consumer protection, the Commission hears complaints brought by consumers to the Office of the Attorney General. If the Commission finds that violations of license law have occurred, it may choose to discipline the license of the individual found in violation. The forms of discipline range from a letter of reprimand to revocation of a real estate license. The filings in these disciplinary hearings are public record, and can be found following the link to the right..

This section will contain a list of licensees who have been found in violation of license law and disciplined by the Commission at its most recent meeting. Because discipline does not always remain on a license for an indefinite period, it is recommended that you use the License Search and Verify to confirm the current license status of any individual on this list. For any other questions about license discipline, please contact IPLA staff.



For More Information...

You can find more detail on disciplinary procedure, as well as public records from disciplinary actions by visiting the following link: [PLA Litigation Search](#).



Thomas Mascari's license (IB51424350) was placed on probation by the Commission after reaching a settlement agreeing that his conduct violated Ind. Code § 25-1-11-5(a)(1)(A) in that he had engaged in material deception in the course of professional activities when he applied for and received commission advances from two companies based on one transaction.

Michael Whitaker's license (PB20601220) was revoked by the Commission after a hearing, finding that he had engaged in material deception in the course of professional services and continued to practice although he had been unfit to practice due to professional incompetence when he failed to make mortgage payments on properties he had previously purchased subject to existing mortgages, with agreement to make such payments, and failing to account for and remit mortgage payments while receiving rental payments from the tenants.

Lisa Lynn Dague (AB20803123) was issued a letter of reprimand by the Commission after reaching a settlement agreeing that her conduct violated Ind. Code § 25-1-11-5(a)(4)(A) in that she provided foreclosure consulting services to customers beyond the scope of her real estate license.

James Vandebark's license (IB20400460) was placed on probation by the Commission after reaching a settlement agreeing that his conduct violated Ind. Code § 25-1-11-5(a)(4)(A) in that he assisted in the sale of property directly with an owner who had a written exclusive agency contract with another licensee, and listed a property on a MLS before having written authorization from the client or the client's agent.

License Discipline

Holly Cole's license (SP39502373) was placed on probation by the Commission after reaching a settlement agreeing that her conduct violated Ind. Code § 25-1-11-5(a)(4)(b) in that she failed to keep abreast of current professional theory and practice when she failed to practice in such a way as to be aware that forms she signed contained false or misleading statements.

Fred Hughey's license (IB20500779) was placed on suspension by the Commission after a hearing, finding that his conduct violated Ind. Code § 25-1-11-5(a)(1)(A) in that he engaged in material deception in order to obtain a license when he answered that he had no other discipline on any professional license held by him, while holding a real estate license in Illinois which had been disciplined.

Jill Fewell's license (PB20803260) was revoked by the Commission after a hearing, finding that she had engaged in material deception in the course of professional services and continued to practice although she had been unfit to practice due to professional incompetence when she failed to account for and remit funds related to several transactions, failed to pay utility and miscellaneous bills as previously agreed, and did not keep detailed records of funds resulting in comingling of funds.



Mailing Address

Having an up-to-date mailing address on file with the Professional Licensing Agency allows us to communicate with you on important issues, and process paperwork you submit in a faster, more efficient manner. Real estate salespersons and brokers are required by 876 IAC 1-1-30.1 to update the Commission of any changes to a licensee's mailing address. You can change your address online by signing into the MyLicense system, and entering your new information there. While the online method is fast and easy, you may choose to contact IPLA to change your address information. You can find the contact information for the staff above this.