



Oklahoma Real Estate **Commission Comment**

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Home Staging and Property Management Requires a Real Estate Broker License

It has been brought to our attention that numerous people are performing activities that require a broker's license, i.e., home staging and property management. These activities include, but are not limited to, entering into a contract with a property owner/seller to obtain authority to stage the seller's home with upscale furnishings and a tenant/home manager, all while the home is listed for sale.

It has also been brought to our attention that numerous sales and broker associates are performing this same type of activity outside their broker's supervision. All licensed activities must be performed in the name of the associate's managing broker and all funds received by the associate are to be immediately turned over to the associate's broker.

It is our understanding that once the seller has agreed to allow the associate or unlicensed person access and authorization to their property for the purpose of home staging, the associate or unlicensed person then solicits for a tenant/home manager and the tenant/home manager pays a reduced rent amount. In some cases, a security deposit may be requested and the rent money that is paid by the tenant is paid directly to the associate or unlicensed person — no money is transmitted to the broker or owner/seller.

This type of activity requires: 1) a broker's license; 2) a brokerage service agreement with the owner/seller; 3) a brokerage service agreement with the tenant/home manager; 4) security deposits to be maintained in a trust account; and 5) requires compliance with the landlord and tenant act. Further, this type of activity may require that rents and/or additional funds be deposited and maintained in a trust account and then properly disbursed to the appropriate owner of the funds.

Home staging and property management carries with it liability issues, landlord and tenant compliance, disclosure requirements (lead-based paint, etc.) and upkeep and maintenance issues all of which affect the owner/seller and the tenant/home manager.

Managing brokers should send out a special notice to their associates and branch offices requesting immediate compliance.

The Commission requests that anyone having knowledge of unlicensed persons performing these activities or associates performing these activities outside the supervision of their broker to please contact the Commission's Investigative Division with sample advertising, contact information, etc. The Commission appreciates your cooperation.

Legal Description Contract Provision (Mineral Rights) Amended

Effective January 1, 2011, the following Contracts will be AMENDED AS NOTED:

Commercial Improved	Residential Sales
Commercial Land	Vacant Lot/Land
New Home Construction	

Paragraph 1 of the above mentioned Contracts have been amended as follows:

1. LEGAL DESCRIPTION. _____

Property Address	City	Zip
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Together with all fixtures and improvements, and all appurtenances, subject to existing zoning ordinances, plat or deed restrictions, utility easements serving the Property, including all mineral and water rights owned by Seller unless expressly reserved by Seller in the Contract and excluding mineral rights previously reserved or conveyed of record (collectively referred to as "the Property".)

Two years ago the Contracts were amended with the language "Surface rights only" which indicated that the oil and gas interests would be retained by the Seller, unless such interests had already been severed or it was noted in the Contract that such interests would be transferred with the Property. This change was met with numerous comments and concerns from the industry.

Therefore, the Oklahoma Real Estate Contract Form Committee has reverted to language as it appeared in the 2008 version of the Contracts.

If you have any questions, please call or email our office.

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Address all communications to the
Commission Office

"Use your zip code and ours
when you write to us"

**BY ORDER OF THE COMMISSION
DISCIPLINARY ACTIONS AS OF
OCTOBER 2010**

MAY 2010

C-2009-061 – JOSEPH LYNN RAMSEY (B) – WARR ACRES: Violations by respondent: Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-9-5(a) and Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-13-1(j) Respondent Ramsey consented to payment of an administrative fine of Five Hundred Dollars (\$500.00).

JULY 2010

UC-2008-007 – MICHAEL METOYER (UNLICENSED), RICHARD ALLEN COLBERT JR. (SA), GENE LOWELL (BM) AND ABW INCORPORATED – OKLAHOMA CITY: Violations by Respondent Richard Colbert Jr.: Title 59 O.S. §858-312, Subsection 8 and Rule 605:10-17-4(14); Title 59 O.S. §858-312, Subsection 3 and Rule 605:10-13-1(a, 1, c); and Title 59 O.S. §858-312, Subsection 9 and Rule

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Chairman's Corner

I am often asked how the Commission locates those who violate the License Code or Rules. The answer I give most of the time is that the Commission does not locate them but rather consumers find them for us by offering written or verbal complaints to the Commission.



John Mosley

Do consumers know the Commission's statutes or rules? Probably not, but they know poor service when they see it. Generally, the process starts with the consumer experiencing a series of less-than-desirable customer service contacts, such as: 1) the licensee failing to return calls; 2) the licensee failing to keep the party informed; and 3) the licensee not following up with what they said they would do. All of these are just common courtesy and good customer rapport, no matter what broker relationship the licensee had with the party.

When consumers do not get answers from the person/professional they are looking to for guidance, they turn to the Commission for relief or some form of justice. By Commission rule, the Commission investigates consumer complaints or complaints may be opened by the Commission on their own motion. If a complaint is filed against an associate, the Commission opens the case on both the associate and their managing broker -- both are provided copies of the allegations and both must file a written response with the Commission concerning the allegations. After investigation, if it is found that a rule or rules have been broken, the file is then turned over to an attorney who acts as a prosecutor for the State. This, all because the licensee failed to provide good customer service -- a lot of time and money are being spent unnecessarily by the Commission, licensee and the consumer.

As licensees we sometimes forget that buyers and sellers are under a great deal of stress caused by a lot of unknowns, i.e., is this the right house, can I afford this, will I be able to maintain a home as I have always rented, etc.? It is our job to bring our expertise to the table and set them at ease. As professionals, we should guide the transaction to closing by dotting the I's and crossing the T's, combined with quality customer service. The old adage applies "treat others the way you would like to be treated."

Changing the subject, the Commission via the Contract Committee is again addressing the transfer of mineral rights during a sale of real property. A little over a year ago the Commission approved a contract that called for the owner to reserve the mineral rights. Since that time there has been a lot of energy spent by the Contract Committee visiting with the "title" people, Water Resource Board, Department of Mines, and title attorneys as how to properly address this subject. It is complicated.

The concern for mineral rights has been in response to new ways to drill for oil and gas which has brought some potential income to home lots as well as large acreages. It is the objective of the Commission to be sure that the contract is clear to the buyer and seller as to the status of the mineral rights, i.e., will the buyer receive the mineral rights or will the seller retain them.

That is all for now and I wish each of you a joyous and prosperous New Year.

John Mosley, Chairman

Commission Elects Officers for FY 2011



Stephen Sherman

At the regularly scheduled Commission meeting on July 28, 2010, the Commissioners voted into office Mr. John Mosley, broker member of Chickasha as Chairman. John is broker/owner of Mosley Real Estate, Inc. and he and his family operate Mosley Insurance Agency, both in Chickasha, Oklahoma. John has been licensed since 1963.

Mr. Stephen Sherman, public member of Oklahoma City, was voted in as Vice-Chairman. Steve is an attorney and is founder of Stephen A. Sherman & Associates in Oklahoma City which was established in 1984. Congratulations gentlemen.

HUD Interprets RESPA Restrictions Against Broker Compensation for Home Warranties

The U.S. Department of Housing and Urban Development (HUD) has issued an interpretive rule that is intended to clarify the agency's view of anti-kickback and referral fee restrictions contained in the Real Estate Settlement Procedures Act (RESPA) as they relate to compensation paid to real estate brokers and agents by home warranty companies (HWCs). The interpretive rule issued by HUD General Counsel, Helen R. Kanovsky, concludes that:

- A payment by an HWC for marketing services performed by real estate brokers or agents on behalf of the HWC that are directed to particular homebuyers or sellers is an illegal kickback for a referral under RESPA section 8;
- Depending upon the facts of a particular case, an HWC may compensate a real estate broker or agent for "compensable services" when the services are actual, necessary and distinct from the primary services provided by the real estate broker or agent and when those additional services are not nominal and are not services for which there is a duplicative charge; and
- The amount of compensation from the HWC that is permitted under RESPA section 8 for such additional services must be reasonably related to the value of those services and not include compensation for referrals of business.

Industry Confusion

For two years, the National Association of REALTORS® and other industry associations have been asking HUD to clarify a 2008 unofficial legal staff interpretation stating that certain "marketing agreements" and "administrative servicing agreements" between HWCs and real estate brokers were "likely" to be in violation of RESPA. The 2008 letter apparently caused confusion in some sectors of the real estate industry. NAR, the National Home Service Contract Association (NHSCA) and the Real Estate Settlement Providers Council (RESPRO) all urged HUD to revisit the issue. In 2009, NAR's Washington Report publication indicated that NAR representatives met with HUD officials to explain why the unofficial interpretation ignored key elements that make such payments "bona fide compensation under RESPA for actual services rendered in the sale of home warranty products."

The Interpretive Rule: Defining "Compensable Services"—In the 2010 interpretive rule HUD explains that under section 8 of RESPA, which applies to all federally related loans, the referral of business to another settlement service provider such as an HWC is generally not a "compensable service" for which a broker or agent may receive compensation. However, services performed by real estate brokers and agents as additional settlement services may be compensable if the services are actual, necessary and distinct from the primary services provided by the real estate broker or agent, the services are not nominal and the payment is not a duplicative charge. In the context of compensation paid by HWCs, HUD's interpretive rule analysis breaks the issue down into several components.

1. *Unlawful Compensation for Referrals*—HUD points out that RESPA does not prohibit a real estate broker or agent from referring business to an HWC, but rather prohibits the receipt of a fee for such referral because a referral is not a "compensable service". A "referral" is defined by HUD regulations as "Any oral or written action directed to a person which has the effect of affirmatively influencing the selection by any person of a provider of a settlement service or business incident to or part of a settlement service when such person will pay for such settlement service or business incident thereto or pay a charge attributable in whole or in part to such settlement service or business (emphasis added)." To evaluate whether a payment from an HWC is an unlawful kickback for a referral, HUD will first look at a variety of factors, such as whether the compensation for the HWC services provided by the broker or agent is contingent on an arrangement that prohibits the broker or agent from performing services for other HWC companies; and/or whether payment is based on, or adjusted, according to the number of transactions referred.

2. *Whether Marketing by a Real Estate Broker or Agent Is Directed to Particular Homebuyers or Sellers*—HUD's analysis also notes that marketing performed by a real estate broker or agent on behalf of an HWC to sell homeowner warranties to particular homebuyers or sellers is a "referral" to a settlement service provider, thus an HWC's compensation of a real estate broker or agent for such marketing services would violate section 8 of RESPA. For example, promoting an HWC and its products to sellers or prospective homebuyers by providing verbal "sales pitches" about the benefits of a particular HWC product or by distributing the HWC's promotional material at the broker's or agent's office or at an open house is considered to be a referral. Thus, compensating the real estate broker or agent for such promotion would violate RESPA.

3. *Whether There Has Been Bona Fide, Reasonable Compensation for Services Actually Performed*—The interpretive rule indicates that conducting actual inspections of the items to be covered by the warranty in order to identify pre-existing conditions, recording serial numbers of the items to be covered or documenting the condition of the covered items by taking pictures and reporting to the HWC may be examples of "compensable services" that a broker or agent could perform and be compensated by the HWC. HUD's determination that "compensable services" have been performed will be based on a review of the particular facts of each case. Evidence in support of such a determination may include: services, other than referrals, that are specified in a contract between the HWC and the real estate broker or agent and are documented; services provided to the HWC that are not duplicative of those typically provided by a real estate broker or agent; a contract under which the real estate broker or agent is the legal agent of the HWC and the HWC assumes responsibility for the broker's representations about the warranty product; and full disclosure to the consumer of the compensable services, the compen-

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Congress Extends National Flood Insurance Program to 2011

The U.S. Congress has passed legislation that will extend the National Flood Insurance Program (NFIP) for one year, to September 30, 2011. A series of short term extensions of the program over the last few years has caused uncertainty regarding the availability of flood insurance and disrupted numerous real estate transactions across the U.S. The bill, S. 3813, which President Barack Obama is expected to sign, extends the program but does not address long

term authorization, setting new policy rates and terms, how to pay for billions of (US) dollars in debt that the program has amassed or other broad reforms that are said to be necessary to ensure the continuing viability of NFIP. Those reforms are expected to be debated in the Congress next year.

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UPDATE: U.S. FTC Finalizes "Mortgage Assistance Relief Services" (MARS) Rules

The U.S. Federal Trade Commission (FTC) has finalized rules that it says will protect distressed homeowners from mortgage relief scams that have proliferated during the ongoing U.S. mortgage crisis. The new Mortgage Assistance Relief Services (MARS) rules, initially published for public comment last February, do not contain an exemption for real estate professionals that was sought by the National Association of REALTORS® (NAR).

The new rules arose from the emergence of bogus operations falsely claiming that, for a fee often collected in advance, they will negotiate various types of foreclosure relief. Many of these operations do not provide the promised services and some pretend to be affiliated with the U.S. government and/or other legitimate housing assistance programs.

The Nationwide Ban on Advance Fees

According to an FTC summary, the most significant consumer protection under the final MARS rules is the nationwide advance fee ban. Under this provision, mortgage relief companies may not collect any fees until they have provided consumers with a written offer from their lender or servicer that the consumer decides is acceptable and a written document from the lender or servicer describing the key changes to the mortgage that would result if the consumer accepts the offer. MARS providers must remind consumers of their right to reject the offer without any charge.

New Advertising Disclosures

In their advertising and other communications directed at individual consumers, such as telemarketing calls, the companies also must disclose that:

- They are not associated with the government, and their services have not been approved by the government or the consumer's lender;
- The lender may not agree to change the consumer's loan; and
- If companies tell consumers to stop paying their mortgage, they must also tell them that they could lose their home and damage their credit rating.

Companies must also disclose the amount of any fee to be charged and explain to consumers that they can stop doing business with the company at any time, accept or reject any offer the company obtains from the lender or servicer and do not have to pay the company's fee if they reject the offer.

Prohibited Service Claims

The MARS rules also prohibit mortgage relief providers from making any false or misleading claims about their services, including claims about:

- The likelihood of consumers getting the results they seek;
- The company's affiliation with government or private entities;
- The consumer's payment and other mortgage obligations;
- The company's refund and cancellation policies;
- Whether the company has performed the services it promised;
- Whether the company will provide legal representation to consumers;
- The availability or cost of any alternative to for-profit mortgage assistance relief services;
- The amount of money a consumer will save by using their services; or
- The cost of the services.

MARS providers are also prohibited from telling consumers to stop communicating with their lenders or servicers and must maintain reliable evidence to back up any claims they make about the benefits, performance or effectiveness of the services they provide.

No Exemption for Real Estate Agents

The new rules contain a lengthy and very broad definition of "mortgage assistance relief services" that is intended to encompass all services that purport to help consumers stop, prevent or postpone any foreclosure sale or otherwise save the property, regardless of the form of the relief.

When the rules were initially released for public comment, NAR argued that real estate professionals should be exempt from the rules, especially with respect to short sales, as long as they do not hold themselves out to be a MARS providers or attempt to collect an upfront or other fee, other than traditional commissions paid at closing. The FTC did not incorporate the requested exemption. In its Final Rule Notice, the FTC concluded that an exemption for real estate agents is not necessary. The FTC noted that, "Real estate agents customarily assist consumers in selling or buying homes and perform functions such as listing homes for sale, showing homes, and finding desirable homes for consumers. The [FTC] is aware that real estate agents may perform these functions when properties are bought or sold through a short sale transaction, but does not consider these services to be MARS." An exemption from the MARS rules was, however, approved for attorneys, subject to certain conditions.

According to the FTC, the new rules will apply to all entities within the FTC's jurisdiction under the Federal Trade Commission Act. The Act excludes, among others, banks, savings and loans, federal credit unions, common carriers and entities engaged in the business of insurance. The 180-page final rule notice can be accessed at <http://www.ftc.gov/os/2010/11/R911003mars.pdf>.

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Annual FBI Report Details Increasing Mortgage Fraud, Emerging Schemes and Top Fraud States

The latest annual mortgage fraud report issued by the U. S. Federal Bureau of Investigation (FBI) concludes, somewhat predictably, that mortgage fraud activity in the U.S continued to grow during fiscal year 2009. The report indicates that the top states for mortgage fraud during 2009 were California, Florida, Illinois, Michigan, Arizona, Georgia, New York, Ohio, Texas, the District of Columbia, Maryland, Colorado, New Jersey, Nevada, Minnesota, Oregon, Pennsylvania, Rhode Island, Utah, and Virginia, in that order. While the report reveals the continuation of well-known mortgage fraud schemes, it also provides a look at new scams that are emerging.

Emerging Schemes—Many of the prevalent mortgage fraud schemes that are well-known to law enforcement and regulatory agencies continued to plague consumers and the real estate industry in FY2009. These familiar schemes involve loan origination, foreclosure rescue, builder bailouts, equity skimming, short sale, home equity line of credit (HELOC), illegal property flipping, reverse mortgage fraud and many others. According to the FBI, new techniques and trends in mortgage fraud were reported in FY2009 by various law enforcement, regulatory and industry entities.

Mortgage Debt Elimination Schemes by "Domestic Extremists/Sovereign Citizens"—"Sovereign citizen/domestic extremists" throughout the U.S. are perpetrating debt elimination schemes. "Sovereign citizens" reject all forms of government authority and believe they are immune from federal, state and local laws. Victims pay advance fees to perpetrators espousing themselves as "sovereign citizens" or "tax deniers" who promise training in methods to reduce or eliminate debts. Schemes primarily targeting mortgages and commercial loans, unsecured debts and other types of loans have victimized consumers in several U.S. jurisdictions. The schemes involve "coaching" people on how to file fraudulent liens, proofs of claim, entitlement orders and other documents to prevent foreclosure and forfeiture of property.

Commercial Real Estate Loan Fraud—The FBI report indicates that the \$6.4 trillion commercial real estate market is experiencing a high incidence of loan origination fraud similar to that seen during the last few years in the residential market. Perpetrators such as loan officers, real estate developers, appraisers and apartment management companies are increasingly submitting fraudulent documents that misrepresent assets and property values to qualify for loans.

Flopping, Short Sales and Broker Price Opinions—As cited in previous annual mortgage fraud reports, short sale property flipping schemes continue to emerge using the distressed properties of homeowners who are unemployed or facing foreclosure. The perpetrators collude with appraisers or real estate agents to undervalue the property using an appraisal or a broker price opinion to further manipulate the price down (the "flop") to increase their profit margin when they later sell the property (the "flip"). They negotiate a short sale with the bank or lender, purchase the property at the reduced price and flip it to a pre-selected buyer at a much higher price. The FBI's report also expresses concern over HUD/FHA's waiver of the 90-day property flipping rule, which was designed to prevent illegal property flips of FHA-insured properties. The

waiver, in effect through January 31, 2011, was initiated in order to boost the stagnant real estate market and remove properties from "the books" of banks.

Property Theft Targeting Bank-Owned Properties—The FBI also reports that perpetrators are targeting bank-owned properties by filing a false warranty deed, using a false rental/lease agreement and collecting advance fees from an unauthorized tenant. The perpetrator arranges to rent out the REO property to an unsuspecting renter. The perpetrator advises the renter that, if confronted by a realtor [sic] or law enforcement officer, the renter is to produce a lease agreement provided by the perpetrator. On inspection of public records, the false warranty deed seems to support the equally false lease. During the course of this scheme, the perpetrator places "no trespassing" signs on the properties and often changes the locks.

Foreclosure Rescue Schemes—Prime Fixed-Rate Loan Delinquencies—Although mortgage loan delinquencies and related fraud activity are generally associated with higher-risk subprime loan borrowers, the FBI says that an increasing number of prime-rate mortgage loan delinquencies are being driven by unemployment. Because of the known correlation between mortgage loan delinquencies, defaults, foreclosures and mortgage fraud, it is anticipated that the increasing number of prime-rate loan delinquencies will fuel a greater pool of potential mortgage fraud victims and perpetrators. Prime-rate homeowners will also add to the growing number of foreclosure "rescue" victims. According to the Mortgage Bankers Association, prime fixed-rate loans are now the biggest contributing factor to foreclosure rates and account for approximately 30 percent of all new foreclosures, a 10% percent increase from 2008.

Foreclosure Rescue Schemes/Loan Modification Fraud—Despite the efforts of local, state and federal agencies to warn consumers about foreclosure rescue and related loan modification fraud, the FBI says that predatory practices in this area are still flourishing. In the face of growing numbers of homeowners needing loss mitigation assistance, mortgage servicers are overwhelmed with loan modification requests and are not providing borrowers with timely and consistent information regarding modifications or other alternatives. Consequently, loan modification scams that typically involve advance fees are increasing.

The Outlook—According to the FBI, a decrease in loan originations, increased unemployment, increased housing inventory, lower housing prices and increases in defaults and foreclosures in FY 2009 created a favorable environment for mortgage fraud perpetrators. The current housing market, while showing modest signs of improving, continues to be an attractive environment for mortgage fraud perpetrators. Even with recent regulatory interventions, mortgage fraud levels are not expected to decrease until 2013, at the very earliest. The FY 2009 FBI Mortgage Fraud Report is publicly available and includes more information about existing and emerging schemes, geographical data and relevant statistics.

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HUD INTERPRETS RESPA RESTRICTIONS *continued from page 3*

sation arrangement with the HWC and the fact that the consumer may purchase a home warranty from other vendors or choose not to purchase any home warranty.

4. *Reasonableness of Compensation*—As the final step in assessing the legality of the compensation for these services, HUD will also assess whether the payment by the HWC is reasonably related to the value of the services actually performed. Although HUD is not a rate-making agency, it is authorized to ensure that payments are commensurate with that amount normally charged for similar services and are not compensation for referrals of business, fees splits or unearned fees. Thus, HUD

will analyze the question of whether the payments are commensurate with the amount normally charged in the marketplace for similar services, goods or facilities.

The proposed interpretive rule is exempt from public comment under the federal Administrative Procedure Act. Nonetheless, HUD invited comment for a short period that expired on July 26th. *To access the full text, please click here.*

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Consumer Financial Protection Bureau to Assume Powers on July 21, 2011

U.S. Treasury Secretary Timothy Geithner has announced that the Consumer Financial Protection Bureau (CFPB) will, on July 21, 2011, formally assume the consumer protection authorities that are to be transferred to it from several existing federal agencies. CFPB is the large new federal agency created by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). On the transfer date, the defined "consumer financial protection functions" currently carried out by federal banking agencies and certain authorities currently administered by the Department of Housing and Urban Development (HUD), including RESPA, and the Federal Trade Commission (FTC) will fall under the auspices of the CFPB. In particular, CFPB will assume responsibility for consumer com-

pliance supervision of large depository institutions and their affiliates and promulgating regulations under numerous existing federal consumer financial laws. Prior to the transfer date the CFPB will focus on staffing, begin to conduct research relating to consumer financial products and services, develop its national consumer complaint response center, plan and take steps to implement the risk-based supervision of nondepository covered persons and prepare for the opening of outreach offices.

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2nd Phase of Online License Renewals and Change of Personal Information

The 2nd phase of our online license renewal system should be completed in the next few months. This will allow you to renew your license online without having your continuing education completed – currently you can renew online only if your continuing education hours are complete and recorded with the Commission.

In addition, the new system will allow you to update your personal contact information from time to time as this will allow

the Commission to send you an email informing you that it is time to renew your license, unless you indicate otherwise. The 2nd phase of the online license renewal project will be complete upon the Commission sending out postcard license renewal notices.



DISCIPLINARY ACTION *continued from page 2*

605:10-11-1(c) The case against Michael Metoyer, Gene Lowell and ABW Incorporated was previously dismissed. The sales associate license of Respondent Richard Colbert Jr. was suspended for a period of one (1) year, with the imposition of the suspension suspended, and he was placed on probation for a period of one (1) year. Further, he was ordered to pay an administrative fine in the amount of Five Thousand Dollars (\$5,000.00) and to attend six hours of continuing education.

C-2008-055 – CORONET ENTERPRISES INCORPORATED AND KIMBERLY ANNE FOX (BM) – BROKEN ARROW: Violations by respondents: Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-13-1(n)(1)(2)(4); Title 59 O.S. §858-312, Subsections 6, 8 and 9; Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-17-2 (b); and Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-17-4 (9)(12) The broker licenses of Respondents Coronet Realty Incorporated and Kimberly Anne Fox were revoked by Order of Commission.

C-2008-056 – CORONET ENTERPRISES INCORPORATED, KIMBERLY ANNE FOX (BM) AND HEATHER MICHELLE BROWN (SA) – BROKEN ARROW: Violations by respondents: Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-13-1(n)(1)(2)(4); Title 59 O.S. §858-312, Subsections 6, 8 and 9; Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-17-2(b); and Title 59 O.S. §858-312, Subsections 8 and 9 and Rule 605:10-17-4 (9)(12) The broker licenses of Respondents Coronet Realty Incorporated and Kimberly A. Fox and sales associate license of Heather M. Brown were revoked by Order of Commission.

C-2008-094 – ARICK R. ANDERSON (BR) – BROKEN ARROW: Violations by respondent: Title 59 O.S. §858-312, Subsections 9 and 15 and Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-9-4(b)(3)(B) The broker license of Arick

R. Anderson was ordered suspended for a period of six (6) months.

OCTOBER 2010

C-2008-083 – LaDonna Delynne Payne (BM) and Southwest Hotel LLC – McAlester: Violations by respondents: Title 59 O.S. §858-312, Subsection 9; Title 59 O.S. §858-312, Subsections 14 and 21; Title 59 O.S. §858-356(A)(B); Title 59 O.S. §858-102, Subsection 2 and Rule 605:10-7-1; Rule 605-17-4 (14); Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-11-1(a); Title 59 O.S. §858-312, Subsections 2, 8 and 9 and Rule 605:10-17-4 (4); and Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-11-1(c) Respondents consented to the revocation of Respondent Payne's broker license, but she will be issued a sales associate license upon completion of a six (6) month suspension and 3 (three) hours of continuing education on the subject of Prohibited Acts.

U-2008-014 – SOUTHWEST INVESTMENTS (UNLICENSED) AND RICHARD PAYNE, JR. (UNLICENSED) – MCALESTER: Violations by respondents: Title 59 O.S. §858-102, Subsection 2, Title 59 O.S. §858-301 and Title 59 O.S. §858-401 Respondents consented to an assessment of a fine in the amount of Thirty-seven Thousand Dollars (\$37,000.00), with Thirty-two Thousand Dollars (\$32,000.00) suspended, pending his obtaining either a sales associate or broker license within ninety (90) days of the Commission's approval of the order.

C-2009-004 – SOONER TRADITIONS REALTY LLC, BART HUNTER MILLER (BM) AND STEVEN DALE WARD (SA) – NORMAN: Violations by Respondent Bart Miller: Title 59 O.S. §858-312, Subsections 8 and 9 and Rules 605:10-17-4(6), 605:10-9-1(a)(2) and 605:10-9-1(d); Title 59 O.S. §858-312, Subsections 8 and 9 and Rules 605:10-17-4(6) and 605:10-9-1(a)(2); and Title 59 O.S. §858-312, Subsections 8 and 9 and Rules 605:10-17-4(9) Respondent Bart H. Miller consented to an assessment of administrative fines totaling Two Thousand Five Hundred Dollars (\$2,500.00). The case against Sooner

Traditions Realty LLC was closed, and the case against Steven D. Ward was set for a Formal Hearing.

C-2009-088 – EINSTEIN GROUP LLC, GWEN A. ARVESON (BM) – NORMAN, EINSTEIN GROUP (BO), JAMES MICHAEL CLARK (BB) – EDMOND, JORGE A. GAMBOA (SA) AND ROSINELY P. RUIZ (SA) – OKLAHOMA CITY: Violations by Respondent Jorge A. Gamboa: Title 59 O.S. §858-312, Subsection 9 and Rule 605:10-17-3(a) Respondent Jorge A. Gamboa consented to an administrative fine of Two Thousand Dollars (\$2,000.00) and a six (6) month suspension of his sales associate license, effective October 13, 2010, to run concurrent with the recommendations set forth by the Hearing Examiner under Case Number C-2009-069. The case against the remaining respondents is still pending.

C-2010-022 – BRETT DOUGLAS BOONE (SA) – OKLAHOMA CITY: Violations by respondent: Title 59 O.S. §858-312, Subsection 8 and Rule 605:10-17-4(12) and Title 59 O.S. §858-312, Subsection 23 Respondent Boone consented to the assessment of an administrative fine in the amount of One Thousand Five Hundred Dollars (\$1,500.00) and completion of three (3) hours of continuing education.

U-2008-018 – CUSA LLC (UNLICENSED) AND DEBORAH L. CANNON (UNLICENSED) – KENNESAW, GA: Violations by respondents: Title 59 O.S. §858-102, Title 59 O.S. §858-301 and Title 59 O.S. §858-401 Respondents CUSA LLC and Deborah L. Cannon consented to the assessment of an administrative fine in the amount of One Thousand Five Hundred Dollars (\$1,500.00).

U-2009-021 – GREEN RIVER MANAGEMENT INCORPORATED (UNLICENSED) AND RONNIE L. MOREHEAD (UNLICENSED) ADA: Violations by respondents: Title 59 O.S. §858-102, Subsection 2 and §858-401

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DISCIPLINARY ACTION *continued from page 7*

Respondents Green River Management Incorporated and Ronnie L. Morehead consented to the payment of an administrative fine of Five Thousand Dollars (\$5,000.00), and Respondent Morehead will obtain an Oklahoma Real Estate sales associate license and work as a sales associate under the supervision of a licensed broker until he is able to obtain his broker license.

E-2009-002 – 360TRAINING.COM / DESPAIN SCHOOL OF REAL ESTATE & APPRAISAL – AUSTIN, TX: Violations by respondent: Rule 605:10-5-1.1 (h) (3) and Rule 605:10-5-2 (g) (4) 360training.com – R. DeSpain School of Real Estate & Appraisal consented to payment of an administrative fine of Four Hundred Dollars (\$400.00).

C-2009-021 – SUSAN C. PRYOR (SA) – TULSA: Violations by respondent: Title 59 O.S. §858-312, Subsection 15 The sales associate license of Respondent Susan C. Pryor was revoked by Order of Commission.

C-2009-069 – JORGE A. GAMBOA (SA) – OKLAHOMA CITY: Violations by respondent: Title 59 O.S. §858-312, Subsections 6, 8, 9, and 16 and Rules 605:10-13-2(1) and 605:10-17-4(12) The sales associate license of Jorge A. Gamboa was suspended for six (6) months, effective October 13, 2010, and he was ordered to pay an administrative fine of Two Thousand Dollars (\$2,000.00).



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