



ADRE Announces New Broker Audit Declaration Program

ADRE Commissioner Elaine Richardson recently announced the rolling out of the Broker Audit Declaration program effective January 1, 2004. This will be a self-audit conducted by designated (including self employed) brokers. It will help them to ensure that they are in compliance with Arizona Statutes and Commissioner's Rules, and provide the Department of Real Estate with up-to-date information on brokers and

entities. The Audit Declaration program does not replace nor preclude the Department from conducting field audits as necessary.

All designated (including self employed) brokers will need to complete a Broker Audit Declaration Form every two years. The due date will be based on the broker's individual license renewal date, which will

(Continued on page 7)

Happy New Year!

We wish each and every one a most glorious and prosperous new year.

From the Staff at ADRE

Stakeholder Meetings a Hit!

By Liz Carrasco

Commissioner Elaine Richardson organized a series of stakeholder meetings to bring together professionals from different areas of the real estate industry and from across the state. Participants worked together to find common ground on issues crucial to the industry. Ten subcommittees were formed and recommendations were then submitted to the Commissioner to form part of ADRE's

upcoming legislation.

The following is a list of some of the recommendations made to the Commissioner:

- § Establish a business broker designation, more specific class material content and a renewal process.
- § Clarify cemetery procedures,

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Our Mission

The purpose of the Department is to protect the public interest through licensure and regulation of the real estate profession in the State of Arizona.

Profile of ADRE's Two New Directors

By Liz Carrasco



Tom Adams
Director of Investigations and Auditing

An Arizona native born and raised in Bisbee, Tom previously worked as the Deputy Director for the Arizona State Medical Board. During this time, he worked to increase the consumer rating from 37th nationally to 1st. Prior to that he worked for the Arizona State Supreme Court.

In addition to his regulatory and government experience, Tom also worked for thirty years in the field of law enforcement. Tom holds a Bachelor's degree from Northern Arizona University in Criminal Justice and a Master of Public Administration from Seattle University.

"My philosophy is that no one of us is as wise as all of us together, and I am looking forward to taking on new challenges and helping to bring the Arizona Department of Real Estate to the next level," said Tom.

Tom joined the Department on November 10th as the new Director of Investigations and Auditing. ☒



Rachel Strachan
Director of Administrative Actions

Originally a San Francisco native, Rachel comes to ADRE by way of Tucson, having previously worked as a felony trial attorney in the Pima County Legal Defender's and Pima County Public Defender's Offices. Prior to that, Rachel also worked as a Deputy Attorney General for the Pascua Yaqui Tribe, handling real estate and housing issues.

Rachel has six years of experience as a trial attorney. She holds a Bachelor's degree in Political Science and a Juris Doctor law degree, both from the University of Arizona.

"I am looking forward to enforcing the statutes to help protect the public, and the good reputation of real estate professionals who do a good job every day," said Rachel. Rachel joined the Department on November 17th as the new Director of Administrative Actions. ☒

New Baby at ADRE!

Congratulations to Carla Randolph!
(Executive Assistant to the Commissioner)

Who is a new mom to:
Makenna Christine Randolph
Born December 2, 2003!



Beautiful Baby Makenna at 10 hours old!

The central text is surrounded by a decorative border of colorful icons including teddy bears, baby bottles, and rattles.



Commissioner's Corner

By Commissioner Elaine Richardson

2003 in Review

January

Governor Janet Napolitano sworn into office.

February

Governor appoints Elaine Richardson as Commissioner.
Ron Passarelli joins ADRE as Deputy Commissioner.
Commissioner speaks at Arizona Association of Realtors® Winter Conference in Prescott.

March

Commissioner's task force assesses ADRE operations.

April

Liz Carrasco joins ADRE as Public Information Officer – great move!
Carla Randolph appointed Commissioner's Executive Staff Assistant – another great move!

May

Arizona Senate votes to officially confirm Richardson.
Commissioner appointed Co-Chair of Real Estate Task Force for the Arizona-Mexico Commission by Governor Napolitano.
Commissioner kicks off outreach tour to outlying counties. Yuma, Tubac and Tucson visited.
"Late Breaking News" reinstated.
R. L. Brown re-elected Chair of the RE Advisory Board.
Three new Advisory Board Members appointed by Governor: Gary Brasher, Felipe Zubia and Lisa Suarez.

June

First Stakeholders meeting convenes – 85+ attend.
Arizona Mexico Commission's Plenary held in Tucson.

July

Gasoline pipeline ruptures in Tucson area – Governor's office requests ADRE to investigate.
Cindy Wilkinson appointed Deputy Director for Administrative Actions.
Bill Day appointed Deputy Director of Illegal Subdivision Investigations.
Telephone system revamped – failed — update ongoing.
Work begins for 2004 online licensing renewal project.
Budget unexpectedly slashed 3.6% due to new agency

responsibility for retirement, health insurance and rent increases.

August

Governor Napolitano visits ADRE – first gubernatorial visit to ADRE in over two decades.
Commissioner continues outreach to Green Valley, Santa Cruz county, and Sierra Vista.
Todd Madeksza joins ADRE as Director of Licensing and Education.

September

Waiver program strengthened, backlogs in education eliminated.
Commissioner kicks off Northern Arizona tour to Payson, Sedona, Flagstaff, and Prescott.
Cindy Ferrin appointed Deputy Director of Subdivisions.

October

Stakeholders Committees submit official recommendations to Commissioner – over 100 attend.
Commissioner attends ARELLO conference in Portland.
More outreach in Prescott and Tucson.
Vicky Murillo appointed Acting Deputy Director of Education.
Update of new state website format begins.

November

Legislative package is drafted mostly from stakeholder recommendations.
Commissioner participates in Arizona-Mexico Commission's RE Task Force meeting in Hermosillo.
Tom Adams joins ADRE as Director of Investigations and Auditing.
Rachel Strachan joins ADRE as Director of Administrative Actions.
Broker Audit Declaration is created to launch January 04.

December

Blue Ribbon Education Advisory Board is created.
Lynda Gottfried is appointed Deputy Director of Auditing, (effective January, 2004.)

Transfer Tax That Never Was, Still Isn't.

A NOTE ABOUT GUEST COLUMN ARTICLES...

GUEST COLUMN ARTICLES DO NOT NECESSARILY REFLECT THE POLICIES OR INTERPRETATIONS OF LAW BY THE ARIZONA DEPARTMENT OF REAL ESTATE. THEY ARE MEANT TO INFORM THE PUBLIC AND PROVIDE VARIETY TO ADRE'S BULLETIN. ALL ARTICLES ARE EDITED FOR SPACE LIMITATIONS.

Let's Raise the Bar as Commercial Brokers

Guest Column By Mike DePinto

We are all looking for that edge – that advantage – that extra something that will lead to more closed transactions and more MONEY! As commercial brokers, we are entrusted to represent our clients' best interests. We are supposed to be the experts. We have to be knowledgeable with issues involving terminology, environment, legal issues, marketing, lending and zoning, to name a few. We have great technology and tools at our disposal. We should be using these tools and always learning how we can do a better job.

If you're like me, I like to be efficient and do multi tasking – not waste time and have to dig up the critical information on a property within our clients' interest radar. All too often, I have done a search for properties that match the important criteria I have asked for, and invariably I will have missed some because some crucial piece of information was missing. Does this scenario best represent our clients' interests or say much about our professionalism? If a prospective property does come into focus, even though some of the criteria may be missing, I should contact the listing agent to further inquire and ascertain the critical and correct information.

Invariably, the conversation goes like this, "Hi, you have a listing on a building for sale and I have a client looking at purchasing a similar building for barber shop use. Your remarks say office use, but 'no retail uses'. Do you know what the zoning classification is, and does it have a variance or use permit?"

The answer may be, "No, but I think it is a commercially zoned property and you could do a service like a barber shop." Really, how hard is it to pick up the phone and call the city Planning and Zoning Department to ask what the zoning is on the property?



My point is simple – let's help one another be successful and at the same time raise our standards, while doing what we told our client we would do, and what we are legally and ethically bound to do. It is crucial to go the extra step by doing the research and providing complete marketing information for fellow brokers and customers!

Editor's Note: Mr. DePinto is Vice President and Designated Broker for StoneWest Properties 

Come On In, The Water Is Fine!

By Guest Columnist Lisa Kaiser

A dear friend of mine once told me, “Don’t laugh at me, but I think you would be good at selling real estate!”

How many Realtors® have gotten into the business that same way? It is amazing how many people from different walks of life exist in the real estate profession.

I actually worked in a real estate office back in 1979, when I decided to go to the Arizona School of Real Estate in Scottsdale to study for my license. I ended up taking the test three times, each time failing by just one point. At age 19, I got frustrated and decided I didn’t want to be involved in real estate anymore and moved on with my life.

I have lived in the valley since 1964 and have seen many changes in the real estate profession. The biggest change is how everything is now computerized. I remember in the late 70’s, where we had to manually search through the MLS books every week and cut and paste the information onto large index cards!

The forms used for each transaction have also changed – which is a good thing. Although it may seem like we now sign and fill out endless documents, they are for our own good and protection, as well as for our clients’ protection, and they leave less room for confusion or misunderstandings.

Our society is now more fast-paced and we deal with entirely different clients. As such, we must be entirely different Realtors®. Even in these modern times, it is still important to learn the “old school ways.” By this, I mean the important skills of maintaining personal contact with your clients and having a personal touch. Taking time and having courtesy for other people is extremely important and should simply be a part of everyday life, like it was in the olden days.

I keep learning by listening, watching what others say and do, and by learning from my own past experiences, both good and bad. I am often surprised by the number of Realtors® who are careless and conduct themselves without any regard for others, only being concerned about their commission. In my short time as a licensed salesperson, I have had the good fortune to work with professional and kind Realtors® who have made the sales transactions a great experience for all and have been genuinely nice during

the whole process.

It is extremely important to always keep learning and to go the extra mile. For example, I found it helped some clients for me to go to a tile store and get further educated on what types of flooring existed so that I could adequately answer their questions about flooring.

Never have I been in a business where there are so many people out there willing to help you make money! Obviously, if you’re making money, then they probably are too, but isn’t that what business is all about? The real estate industry can allow everyone the opportunity to shine. There are few jobs out there where one can make the kind of money that we all make in real estate. If anyone says it is not a good time to get into the industry because our economy is so bad, I would ask this: How long does it take to get home from work, especially when taking any of the freeways home?

I mention this because the freeways are always jam-packed with people driving to and from home. Most of those stuck on the freeways either have a home, are looking for a home or want another one, but they all live somewhere. And who is going to be there to sell them their next home and give them the best possible customer service, so they will tell their friends and family? I will! I plan on being a Realtor® who listens, observes and then applies what I have learned. I plan on learning new ways and being the one people call for their real estate needs. How about you?

I think new real estate agents have a better opportunity to succeed more than anyone else. They have the opportunity to learn from the best and put that knowledge into action while still being flexible enough to bend. This is similar to the child who is fearless -- they have not had life’s experiences to inhibit them from taking the steps forward into the unknown.

For those of you who have been in the business for many years and are successful, I tip my hat to you and your experience. Help us “newbies” learn and work *with* you, not against you, nor by ourselves out there facing the sharks. I think dolphins are much more fun. For those of you who are new like myself... come on in, the water’s fine! Let’s go swimming together and make a *big splash!*

Editor’s Note: Ms. Kaiser is a newly licensed real estate salesperson for West USA Realty. 

Frequently Asked Questions (FAQ)...

Question: Do Design Center employees need a real estate license?

Answer: ARS 32-2121(A)(9) exempts from licensing any person employed by a broker who performs administrative and support duties, who are **not** engaged in any other acts requiring a license. Therefore, if a Design Center employee assists a buyer in selecting paint, carpeting, appliances, etc., and submits the results of the selections to the broker or agent handling the sale to be included in or as an addendum to the contract, that employee **need not** be licensed.

However, if the same person who conducts the business of the Design Center also **offers to or negotiates real estate sales, purchases, listings, rents or leases**, or any of the other activities listed in ARS 32-2101.46, (the legal definition of a "Real Estate Broker,") then that employee **must be licensed** by the state of Arizona. ☐

Advisory Board Members Launch "Facilitators" Pilot Program

By Cindy Ferrin, Deputy Director of Subdivisions

At the last Advisory Board Meeting on December 4, 2003, Advisory Board Members participated in training given on becoming a "citizen facilitator." In an effort to provide citizens with an alternative avenue that might be less intimidating for them to approach, or should the public have a problem concerning the performance of the Department of Real Estate, the new "facilitators" will be available to help act as intermediaries in facilitating communication.

Most problems result from miscommunication, a mistake, or something that caused the normal administrative process to break down. Citizens who experience delays in responses from the Department, who express displeasure with perceived "bureaucratic red tape," or who have a mind-set that they are not getting the attention they deserve will be able to contact an Advisory Board Member with their complaint. That Advisory Board Member will then act as a neutral third-party between the Department and the complainant to clarify the issues at hand, open the lines of

communication, and even help the citizen understand the timeframes and processes at the Department. By serving in this capacity, Advisory Board Members will be helping the Department respond to citizen complaints in a timely, courteous and impartial manner.

While Advisory Board Members will not intervene in pending disciplinary action cases in the Administrative Actions Division or in the Attorney General's Office, they will assist citizens with other division performance issues that may come up. This is one of the many new pilot programs being launched under the new administration of Commissioner Elaine Richardson. The Advisory Board is scheduled to evaluate the effectiveness of this pilot program in six months.

Editor's Note: The Real Estate Advisory Board Members are: RL Brown, Chair; Richard C. Allen, Vice-Chair; Gary Patrick Brasher; Eugene E. Cox; Vicki L. Cox-Golder; Gary Lee; Vince Pellerito; Lisa A. Suarez; and Felipe Andres Zubia. ☐

ADRE Announces Broker Audit Declaration Program (continued ...)

(Continued from page 1)

provide the brokers with an easy date to remember. For flexibility, the brokers will be allowed to submit their Audit Declaration Form up to sixty days (60) prior to their renewal date.

The Audit Declaration Form reviews:

- General Records
- Broker Review
- Employment and Compensation
- Disclosures
- Various record keeping requirements
- Trust Accounts
- Handling of funds
- Delegation of Authority
- Broker Supervision and Control

Depending on the brokerage activities, some or all areas may apply. Brokers will note any areas that are not applicable on the Audit Declaration Form. There is an area for explanation for any areas where the broker shows a violation of or deviation from Statutes and/or Rules.

The Broker Audit Declaration Form is already available on the Department's web site at www.re.state.az.us. The broker will download and complete an Audit Declaration Form and return it to the Department of Real Estate's Auditing Division. Since the broker will be attesting to the accuracy of the Audit Declaration Form, a written signature will be needed. It is the broker's responsibility to ensure receipt by ADRE. The signed, completed form may be scanned and sent to the Department by e-mail, regular mail or delivery service. The broker can deliver the form to either the Phoenix or Tucson ADRE offices. All of the pertinent addresses and information will be available on the audit form.

The Department is in the process of creating a Frequently Asked Questions (FAQ) area on the web site that may also assist in completing the audit form. As the Audit Declaration Form is used, and questions arise, they will be added to assist other brokers. The Audit Declaration Forms will be reviewed by audit staff and, if appropriate, will be used in conjunction with future field audits.

The Audit Declaration Form and process has

been in development for many months. It has been refined and updated to be appropriate to all brokers. Recently, Commissioner Richardson selected a test group of several brokers to complete a trial of the Audit Declaration Form. The comments and feedback were positive and the process was relatively painless. ADRE thanks those brokers for their input and cooperation!

This new program goes a long way toward addressing the agency's primary responsibility, which is to protect the public. In addition, it provides educational experience for the brokers. Most brokers will learn something new while completing the Audit Declaration Form. Many will find it an excellent tool to audit their own staff and business. The current staffing levels at the Department of Real Estate make it such that conducting field audits every two years is impossible to achieve. The industry continues to grow, but the Department's audit staffing has not grown proportionately to meet industry needs. With current budget issues, the Audit Declaration Form is a way to accomplish more audits in the same timeframe, while staying on track with staffing and budget, and giving brokers an opportunity to identify and correct problem areas on their own.

As mentioned, the start date of this new program will be January 1, 2004. This means that brokers with license expiration dates of January 31, 2004 will be the first ones to submit an Audit Declaration Form. Since brokers with expiration dates in January or February 2004 will not have a 60-day prior time frame for completion, **a one-time allowance of an extra sixty days (60) for the Audit Declaration Form will be given to those brokers with expiration dates in January and February of 2004 only. However, license renewals will NOT be extended** That way, all brokers will have had the same opportunity to receive a 60-day lead-time for Broker Audit Declaration Form submission after the program's inception.

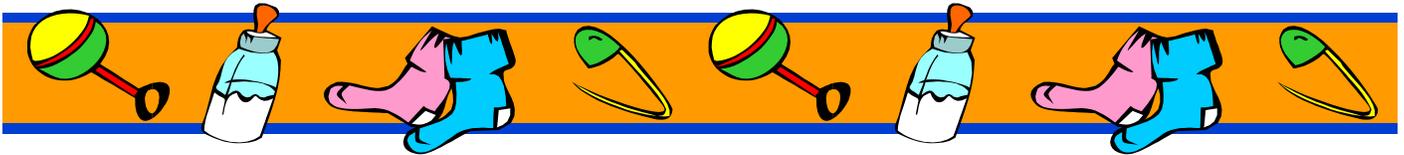
Watch for upcoming Late Breaking News with updates on the Broker Audit Declaration Form, its process, comments and successes! In the meantime, any questions about the Audit Declaration Form may be emailed to auditing@re.state.az.us. 

Stakeholder Meetings a Hit! (continued ...)

- annual reporting requirements and equalize certificate fees
- § Increase certain penalties from a class 6 felony to a class 5 felony
- § Establish a regulatory revolving fund to help increase ADRE services
- § Establish various fees suggested by stakeholder committee members.
- § Clarify advertising rules for “owner/agents”
- § Increase protections for purchasers’ or renters’ deposits
- § Clarify out-of-state co-brokering
- § Clarify brokers’ record-keeping and earnest money requirements

- § Clarify property management licensing exemption for on-site managers and leasing agents
- § Clarify disclosure of renters’ tenant deposits
- § Clarify various subdivision statute definitions
- § Increase civil penalty fees for violators of subdivision and timeshare laws
- § Clarify ADRE’s jurisdiction over virtual office web sites

Well over 100 people participated in these meetings that resulted in a series of very good proposals that enjoy broad support. ADRE gives thanks to all the participants who took time out of their busy schedules to be part of a collective and successful process. ☐

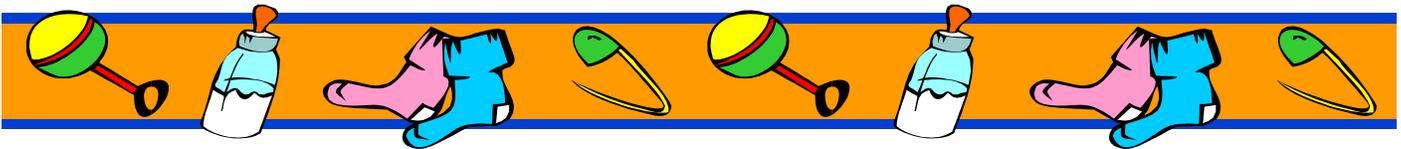


A Note From the Editor...

The Bulletin’s Editor will be on maternity leave in February and March.

Please excuse any delays in publication that this may cause.

The ADRE team will do its best to publish the next edition promptly!



Do you like to write?

Do you have an article idea?*

If you would like to submit an article to be considered for inclusion in The Bulletin, please send your article to the Editor via email at: lcarrasco@re.state.az.us.

Submissions must be in MS Word format and less than 500 words.

*Submissions of guest writers may not necessarily reflect the opinion of the Department and may be edited due to space limitations.

Administrative Actions

COMMISSIONER'S FINAL ORDERS

Appealable Agency Actions

Beth Ann Funk (Phoenix)

File No. 03A-096-REL, Order October 28, 2003
The Department denied Funk's application for renewal of her real estate salesperson's license based on her 1997 conviction for Theft, in violation of the statutory provisions of A.R.S. § 32-2153. After requesting a hearing before an administrative law judge, she failed to appear and her application for license renewal is denied.

Javier Gonzalez (Phoenix)

File No. 04F-008-REL, Order December 9, 2003
The Department denied Gonzalez's application for real estate salesperson's license based on his 2000 misdemeanor conviction for Theft, in violation of the statutory provisions of A.R.S. § 32-2153. After requesting a hearing before an administrative law judge, Gonzalez failed to appear and his application for license is denied.

Christopher G. Hignett (Peoria)

File No. 03A-086-REL, Order October 28, 2003
The Department denied Hignett's application for real estate salesperson's license based on his 1999 conviction for theft and 1998 and 1999 convictions for DUI, in violation of the statutory provisions of A.R.S. § 32-2153. After a hearing before an administrative law judge, Hignett's application is denied. The Commissioner denied Hignett's request for rehearing or reconsideration of the Commissioner's Order on December 7, 2003.

Justin R. Maurer (Mesa)

File No. 03A-095-REL, Order November 5, 2003
The Department denied Maurer's application for real estate salesperson's license based on his convictions in 2000 for two counts of Domestic Violence Assault, Domestic Violence Criminal Damage, misdemeanors, and Possession of Marijuana, which was ultimately designated a misdemeanor, in violation of the statutory provisions of A.R.S. § 32-2153. After a hearing before an administrative law judge, Maurer's application is denied.



Jordan B. Sloan (Phoenix)

File No. 03A-015-REL, Order September 26, 2003
The Department denied Sloan's application for real estate salesperson's license based on his 1997 conviction for Criminal Possession of a Forgery Device, a class 6 Undesignated Offense; 1998 and 1999 convictions for Attempting to Obtain Narcotic Drugs by Fraud, class 4 and class 5 Felonies, respectively, in violation of A.R.S. §§ 32-2123 and 32-2153 (B)(2), (5), (7), and (10). After a hearing before an administrative law judge, Sloan was granted a provisional license subject to specified terms.

SETTLEMENTS BY CONSENT ORDERS

Disciplinary Actions

Franklin L. Bennett, Sr. (Mesa)

No. 03A-109, Consent Order November 25, 2003
Bennett, acting as seller of a condo and manager of the condominium homeowners association, failed to disclose to buyers that an assessment by the homeowners association was due and payable upon sale of the unit, in violation of statutory provisions including A.R.S. § 32-2153 (A)(1), (3), (B)(4) and Commissioner's Rule, A.A.C. R4-28-1101 (A). Bennett's real estate broker's license is suspended for 30 days and he is assessed a civil penalty.

Brian H. Ford (Scottsdale)

No. 02A-120, Second Consent Order November 17,

2003

Ford stipulated under a previous Consent Order to issuance of a provisional licensee subject to specified terms and conditions while his license was on active status. Because he is moving to another state and will no longer work in real estate, Ford is no longer willing to be subject to the terms of the first Consent Order, in violation of A.R.S. § 32-2153 (B)(9). Ford's provisional license is revoked.

General Hunt Properties, an Arizona corporation (Scottsdale)

No. 04F-015, Consent Order November 13, 2003
General Hunt Properties, in connection with two other companies, owned and platted a 160-lot subdivision known as Oasis Sunrise in the far east valley. General Hunt Properties sold most of its share of the lots, retaining five. General Hunt Properties sold one of its remaining five lots without applying for and obtaining a public report, and without notifying the purchasers of their right to receive a public report before the purchaser contracted to purchase a lot in Oasis Sunrise subdivision, in violation of A.R.S. §§ 32-2181 (A) and 32-2183 (A) and (F). General Hunt Properties is assessed a civil penalty, will notify the purchaser of the purchaser's right to rescind the purchase, and will comply with subdivision statutes before offering for sale, selling, or transferring any lot or parcel.

Inter-America Realty, Ltd., dba Cimarron Properties, aka Cimarron Property Managers, and Michael Roy (Tucson)

No. 99A-147, Second Consent Order October 17, 2003
Inter-America Realty, Ltd., and Michael Roy, designated broker, sole owner and president of Inter-America Realty, stipulated in a previous Consent Order to the existence of a significant shortage in the broker's trust accounts, and Roy's failure to properly maintain and reconcile the trust accounts. Inter-America and Roy failed to correct the deficiency according to the stipulated schedule and failed to properly reconcile the trust accounts to client records on a monthly basis, required pursuant to A.R.S. § 32-2151, contrary to the first Consent Order and in violation of A.R.S. § 32-2153 (A)(3) and (24). Roy is to correct the shortage within ten (10) days, and shall have



an audit of the broker trust accounts by an independent CPA at the broker's expense. Roy's license is revoked on the earlier of the sale of Inter-America or six months from entry of the Consent Order, and Inter-America's license shall be revoked if Roy has not sold Inter-America within nine months after entry of the Consent Order.

Linette Reid (Tempe)

No. 03A-033, Consent Order November 18, 2003
Reid was negligent by failing to obtain the Seller's permission in writing before giving keys to a home to her clients, the Buyers, before escrow had closed in violation of A.R.S. § 32-2153 (A)(22) and Commissioner's Rules A.A.C. R4-28-1101 (A) and (J). Reid is assessed a civil penalty and must complete additional continuing education classes within ninety days.

Shanna Sawyer and Michelle Rich (Scottsdale)

No. 02A-051, Consent Order October 21, 2003
Sawyer and Rich assisted a prospective tenant/purchaser, who contacted them in response to an internet advertisement for brokerage services, to rent a condominium in Scottsdale for her, her husband, and their family dog. Sawyer and Rich failed to disclose in writing that either or both owned the condominium, were acting as agent and principal, and that the CC&Rs prohibited tenants from keeping pets in the condominium, in violation of A.R.S. § 32-2153 (A)(3), A.A.C. R4-28-1101 (B) and (E)(1), formerly (E). Rich failed

Administrative Actions (continued...)

to deal fairly with all parties, in violation of A.A.C. R4-28-1101 (A). Sawyer, as designated broker for the employing broker at the time of the transaction, failed or refused to produce contracts or other records in her possession or that she was required by law to maintain for inspection by the Department, in violation of A.R.S. § 32-2153 (A)(17). Each is assessed a civil penalty, shall attend additional continuing education classes within ninety days, and for two years is to provide a copy of the Consent Order to each broker that employs either or both of them.

John C. Scremin and John Scremin Development, Inc., an Arizona corporation (Chandler)

No. 04F-026, Consent Order November 5, 2003
Through a series of transactions, Scremin Development acquired 8 lots in a platted 10-lot subdivision and, without first notifying the Commissioner of its intentions, applying for, and being issued a public report. Respondents advertised the subdivision and contracted to sell an unimproved lot, in violation of A.R.S. §§ 32-2181(A), 32-2183 (F), and 32-2183.01 (F). The contract used did not include the required public report disclosure or notice of the purchaser's 7-day rescission period, in violation of A.A.C. R4-28-803 and R4-28-804. Respondents are assessed a civil penalty, shall advise purchaser who bought a lot in violation of the statutes of the purchaser's right to rescind the purchase, and will transfer or sell lots only in accordance with subdivision laws. Scremin shall attend a subdivision law class within ninety days.

Dean Jack Wilson (Sedona)

No. 04F-050, Consent Order November 19, 2003
Through a series of acquisitions, splits, and conveyances, Wilson created a 13-lot subdivision located near Sedona known as Sun-Up Ranch without first notifying the Commissioner of his intentions, applying for, and being issued a public report, in violation of A.R.S. §§ 32-2181(A), and 32-2183 (F). The contract Wilson used did not include the required public report disclosure, in violation of A.A.C. R4-28-803. Wilson is assessed a civil penalty, will transfer or sell lots only in accordance with subdivision laws and, within one year will bring the subdivision into compliance with requirements for a lawful subdivision. Wilson shall attend a subdivision law class within ninety days.

Gregory L. Wilson (Phoenix)

No. 03A-081, Consent Order October 28, 2003
Wilson, acting as agent for both the seller and buyer of a subject property, incorrectly advertised that the VA loan was assumable without buyer qualification. Despite the buyer's requests for assurances of the assumability of the loan, Wilson did not take any steps to verify whether the loan on the subject property was assumable and advised the buyers that it was assumable. Clear disclosure was made on the seller's recorded deed that the loan was not assumable. Wilson's misrepresentations were in violation of A.R.S. § 32-2153 (A)(1), (A)(3) and R4-28-502 (C). Wilson is assessed a civil penalty.

Appealable Agency Actions

Traci Stahlman (Bullhead City)

No. 04F-019-REL, Consent Order November 18, 2003
The Department denied Stahlman's application for renewal of her real estate salesperson's license under A.R.S. § 32-2153 (B)(2) based on her 2002 misdemeanor conviction for Shoplifting and her failure to disclose the conviction to the Department in writing within ten days of the conviction. Stahlman appealed the denial and is assessed a civil penalty. ☐



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THE BULLETIN

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