

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE COMMISSION

April 18, 2013

The Louisiana Real Estate Commission held its regular meeting on Thursday, April 18, 2013, at 10:00 a.m., at 9071 Interline Ave, Baton Rouge, Louisiana, according to regular call, of which all members of the Commission were duly notified, at which meeting the following members were present:

COMMISSION

Patrick T. Caffery, Jr., Chairman
Paul Burns, Vice Chairman
James Gosslee, Secretary
Mike D. Bono
Archie Carraway
Tim Flavin
Rodney Noles
Lynda Nugent Smith
Frank Trapani

STAFF

Bruce Unangst, Executive Director
Arlene Edwards, Legal Counsel
Summer Mire
Tad Bolton
Debbie Defrates
Mark Gremillion
Chad Mayo
Marsha Stafford
Ivy Stringer
Sara Wheeler
Jenny Yu

GUESTS

Bill Bacque – Van Eaton & Romero
Michael Bienvenu - Attorney
Jean Carraway
Amy Fennel – Louisiana REALTORS
Scott Johnson – Louisiana REALTORS
Brent Lancaster – Bob Brooks School of Real Estate
Norman Morris – Louisiana REALTORS
Rick Roberts – ReMax
Pat Wattam - GBRAR
Malcolm Young – Louisiana REALTORS

Commissioner Stafford was unable to attend the meeting.

Commissioner Burns led the Invocation; Commissioner Noles led the Pledge of Allegiance.

Commissioner Trapani made motion, seconded by Commissioner Flavin, to approve the minutes of the meeting of March 21, 2013. Motion passed without opposition.

PERSONAL APPEARANCES:

1. Juan Bolden – Mr. Bolden appeared before the Commission in connection with his request to re-obtain his real estate license.

As a result of a formal adjudicatory hearing held on August 17, 2006, Mr. Bolden was found to be in violation of LSA –R.S. 37:1455. A.(32): Failure to comply with an order or consent order issued or approved by the Commission pursuant to adjudicatory proceedings. The Individual Real Estate Broker's license issued to Juan K. Bolden was revoked by order of the Commission. Juan K. Bolden was initially licensed on April 11, 1984.

Mr. Bolden explained that he was originally licensed in 1981 and became a broker in 1984. He admitted to handling an investigative matter with the Commission poorly. He explained that he was involved with a real estate deal with his best friend that turned sour and became caught up in litigation. This friend filed the original complaint with the Commission. Ms. Stafford explained that Mr. Bolden's license was originally suspended and part of his order was to pay a fine and provide documentation to the Commission. Because Mr. Bolden failed to comply with the order, his license was revoked at a subsequent hearing. Mr. Bolden stated that he did not pay the fine because he was waiting for the litigation and criminal complaint charge to be completed. Mr. Bill Bacque, Van Eaton and Romero (Latter & Blum company), spoke as a character witness on behalf of Mr. Bolden. He stated that he knows the Bolden family as Mr. Bolden's wife has been licensed by his company for many years. He stated that he will sponsor Mr. Bolden if the Commission allows him the opportunity to be re-licensed.

After further questions from the Commission, Commissioner Flavin made motion, seconded by Commissioner Carraway, to allow Mr. Bolden to re-obtain his salesperson license under the conditions that he must obtain all of the required education and pay previous fines and with the understanding that he must completely start over as a new licensee. He must also come before the Commission to at a later date if he ever wishes to sit for the broker's exam. Motion carried with a 4-2 vote with Commissioners Bono and Gosslee voting in opposition. Let the record reflect that Commissioners Trapani and Noles recused themselves of voting as they are affiliated with the possible sponsoring brokerage, Latter & Blum.

2. Darien Lester – Mr. Lester appeared before the Commission in connection with his request to obtain a real estate license.

On August 7, 2012, Mr. Lester pled nolo contendere to possession of a Scheduled III Controlled Substance. The court sentenced Mr. Lester under the provisions of Article 893 to pay court costs, or in default thereof, to serve one (1) year in the parish jail. Mr. Lester was placed on supervised probation for a period of one (1) year. Execution of the sentence was deferred until April 13, 2013, in conjunction with Article 893. Mr. Lester stated that he was placed on unsupervised probation with no probation officer. Payment of court costs was made by Mr. Lester on February 22, 2013 and March 6, 2013.

Mr. Lester stated that he was working with a client on a succession and was suffering from a bad toothache. His client gave him a few loratabs to help ease his pain. Mr. Lester stated that he placed the loratabs in a container and put them in the glove box of his car and forgot that they were there. He was pulled over by a policeman 15 months later for a burnt out tail light and the officer asked to search his car. Mr. Lester stated that he complied and the officer found the loratabs in his car. Mr. Lester did not have a prescription for the drugs therefore he was arrested and pled no contest under Article 893. Upon reviewing documentation, Commissioners asked Mr. Lester why he failed to show up for his court hearings numerous times. Mr. Lester explained that he was previously licensed as an attorney and often did not show up to the hearings if there was any contention between himself and the judge or opposing attorney. He would have another attorney appear on his behalf. This prolonged Mr. Lester's hearings. Mr. Lester also stated that although he previously had an attorney's license, he no longer had a license due to the numerous complaints that were filed against him. His attorney license was revoked in 2010.

After further questions from the Commission, Commissioner Trapani made motion, seconded by Commissioner Nugent Smith, to deny Mr. Lester's request to obtain a real estate license. After a roll call vote, motion carried with Commissioner Noles voting in opposition. Commissioners Trapani and Flavin explained that they denied Mr. Lester's request due to the lack of responsibility he displayed as an attorney in not appearing before his own hearing as well as the fact that was disbarred as an attorney. Commissioner Noles stated that he disagreed with the motion because Mr. Lester was before the Commission for a felony conviction and not for his disbarment as an attorney.

3. Cathy Lopez – Ms. Lopez appeared before the Commission in connection with her request to re-obtain a real estate license.

On September 23, 2002, Ms. Lopez pled guilty to attempted prohibited acts. For this offense, she was sentenced to a period of one (1) year hard labor with credit for time served to run concurrently with any other sentence. The court ordered that the hard labor sentence be suspended and Ms. Lopez was placed on five (5) years probation, subject to Article 895. On April 27, 2007, Ms. Lopez satisfactorily completed her probation.

On September 23, 2002, Ms. Lopez pled guilty to illegally forging prescriptions (one count). For this offense, she was sentenced to a period of one (1) year hard labor with credit for time served to run concurrently with the sentence in West Baton Rouge, case #021486-Attempted Prohibited Acts. The court ordered that the hard labor be suspended and Ms. Lopez was placed on five (5) years probation subject to the provisions of Article 895. On September 23, 2007, Ms. Lopez satisfactorily completed her probation.

On November 28, 2005, Ms. Lopez pled guilty to prescription forgery. For this offense, she was sentenced to two (2) years hard labor. The court ordered that the hard labor sentence be suspended and Ms. Lopez was placed on two (2) years supervised probation with special conditions. Ms. Lopez was granted the benefit of Article 893 after her probation period was completed on August 20, 2007.

Ms. Lopez stated that at the time of the incidents, she was a mother of five small children. She found out that her husband had been cheating on her. She had to have surgeries for a rotator cuff injury and unfortunately did not stop taking the pain medications. She began writing her own prescriptions and was eventually arrested. Ms. Lopez stated that she had multiple arrests because she could not stop her addiction. She continued with this behavior until her third arrest. Since that third arrest, she has turned her life around and has been drug free for eight years. She currently works as a subcontractor for new construction cleanup. She has spoken with Plantation Realty in New Roads to be her sponsoring broker.

After further questions from the Commission, Commissioner Trapani made motion, seconded by Commissioner Bono, to allow Ms. Lopez to obtain her real estate license. After a roll call vote, motion carried without opposition.

4. Valerie Louviere– Ms. Louviere appeared before the Commission in connection with her request to re-obtain a real estate license.

On March 22, 2001, Ms. Louviere pled guilty to possession of embezzlement from a federally insured bank. For this offense, she was sentenced to a period of one (1) day imprisonment. Upon release from imprisonment, Ms. Louviere was placed on supervised probation for a period of five (5) years. On March 21, 2006, Ms. Louviere satisfactorily completed her probation. Ms. Louviere stated that she still owes \$218.13 of the restitution because of financial hardship.

Ms. Louviere stated that she was working for a banking institution about 13 years ago. She was newly married and struggling financially. Over the course of her employment, Ms. Louviere stated that she stole about \$6500.00 from the bank. She stated that it was never large amounts of money at one time; it was often \$10.00 here and there for groceries or gas money. She stated that after her arrest, she served on probation on home arrest with an ankle bracelet during her first pregnancy. She stated that her family and marriage suffered but she paid the price and made it through. She still owes \$200.00 in restitution due to financial hardships. She wants to put everything behind her and move on. She now works at her church as a substitute daycare employee. She is also a missionary teacher but is mostly a stay at home mom. She has had no other problems with the law.

After further questions from the Commissioners, Commissioner Flavin made motion, seconded by Commissioner Trapani, to allow Ms. Louviere to obtain her real estate license after all of her restitution has been paid. After a roll call vote, motion carried without opposition.

COMMITTEE REPORTS:

1. Budget – Commissioner Noles reviewed the budget report in Commissioner Stafford’s absence. Commissioner Noles inquired of the increase in the citation fines. Mr. Unangst explained the fine increases are fines due to the education audits. He stated that he unfortunately does not

see a big change in the budget next year as it appears that the same amount of licensees have not obtained their continuing education. The increase in personal services is due to the 4% merit increase and also an increase in insurance and retirement costs. He stated that it might be useful to have a meeting about the budget to further explain the retirement contributions at a later time. Commissioner Noles stated that the budget looks financially healthy at this time.

(Attachment A)

2. Education/Research/Publication – Commissioner Caffery reported that the subject matter experts are wrapping up their respective courses and hope to be finished by the end May for review.
3. Legal/Legislative/Timeshare - Commissioner Flavin reported that the Committee met prior to the business meeting. Under old business, the Commission discussed a proposed rule change regarding buyer acknowledgement of bonuses paid and broker commissions paid from closing costs. Commissioner Flavin made motion, seconded by Commissioner Nugent Smith to ratify the following proposed rule regarding broker commissions paid from excess closing costs that was approved by the Committee :

Buyer broker compensation shall not be included as part of closing costs paid by the sellers, unless such compensation is disclosed in a written offer and accepted by the seller, which specifically states the amount of compensation being paid to the licensee.

Motion carried without opposition. Commissioner Flavin also stated that LREC meeting rules and procedures were discussed in Committee. Commissioner Flavin made motion, seconded by Commissioner Trapani, to ratify the proposed LREC meeting rules and procedures. Motion carried without opposition.

(Attachment B)

Commissioner Flavin stated that he would entertain any comments from Commissioners and Louisiana REALTORS regarding buyer acknowledgements of bonuses paid for later discussion.

4. Standardized Forms – No report.
5. Strategic Planning – Commissioner Nugent Smith stated that she spoke with Commissioners Gosslee and Trapani and hope to have some recommendations for an upcoming meeting.
6. Errors & Omissions – No report.

DIRECTORS REPORT:

Mr. Unangst reported that he met with Facility Planning and Control to discuss repairs on the building. All parties are in concurrence with the original engineer that LREC hired in regards to building problems. Building repairs will be made and pavement of the rear grassy area will be done. A suit will be filed in June so that the prescriptive period will be protected. Monitoring of building cracking will also be done.

Mr. Unangst reported that FEMA will be paying for the broken light fixture in the front of the building that was a result of Hurricane Isaac.

Mr. Unangst presented the Commission with charts on the change in licensee count, etc. Mr. Unangst provided these charts to give Commissioners a better idea as to where the licensee count stands and to give insight on licensee count stabilization. Mr. Unangst stated there has been a slight uptick in active licensee but noted that there will be a decline in inactive licensees. He feels that there is some stabilization currently.

(Attachment C)

PUBLIC COMMENT:

Ms. Carraway notified the Commission that she and Commissioner Carraway's grandson was named outstanding undergraduate in his real estate studies. Commissioners congratulated her on his achievements.

UNFINISHED BUSINESS:

None.

NEW BUSINESS:

Greater Baton Rouge Board of Realtors – Request for Approval of Alternative Commercial Contracts Course:

Commissioner Trapani made motion, seconded by Commissioner Noles, to approve the GBRAR alternative commercial contracts course. Motion carried without opposition. Ms. Pat Wattam spoke on behalf of GBRAR and thanked the Commission for the approval of the course. Commissioner Noles noted that it is an impressive course.

There being no further business, Commissioner Trapani made motion, seconded by Commissioner Burns, to adjourn. Motion passed without opposition.

PATRICK T. CAFFERY, JR., CHAIRMAN

JAMES D. GOSSLEE, SECRETARY