

**MINUTES OF MEETING**  
**OF**  
**LOUISIANA REAL ESTATE COMMISSION**

**January 17, 2013**

The Louisiana Real Estate Commission held its regular meeting on Thursday, January 17, 2013, at 9:30 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  
Jimmy Gosslee, Secretary  
Archie Carraway  
Tim Flavin  
Rodney Noles  
Sterling Ory  
Lynda Nugent Smith – left at 10:15 a.m.  
Frank Trapani

**STAFF**

Bruce Unangst, Executive Director  
Arlene Edwards, Legal Counsel  
Summer Mire  
Tad Bolton  
Mark Gremillion  
Robert Maynor  
Chad Mayo  
Nikki Senegal  
Marsha Stafford  
Sara Wheeler  
Malissa Wright  
Jenny Yu

**GUESTS**

Jean Carraway  
Chris Donaldson – Donaldson Educational Services  
Deanna Norman – Northeast Board of Realtors

Commissioners Bono and Stafford were unable to attend the meeting.

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

Commissioner Trapani made motion, seconded by Commissioner Flavin, to approve the minutes of the meeting of December 13, 2012. Motion passed without opposition.

**PERSONAL APPEARANCES:**

1. Theresea M. Gransberry – Ms. Gransberry appeared before the Commission in connection with her request to re-apply for her real estate license.

As a result of a formal adjudicatory hearing held on June 21, 2012 on Case Number 2011-825, both the individual real estate broker's license (#BROK.0912122421-ACT) issued to Ms. Gransberry and her licensed corporation, T-Grans Realty, LLC (#BROK.09112122452-CORP) were revoked. Ms. Gransberry was the qualifying broker of T-Grans Realty, LLC.

Chairman Caffery welcomed Ms. Gransberry and asked her to explain her situation and why she was before the Commission today. Ms. Gransberry explained that she looked back at her case and stated she was going through a lot mentally with a divorce when the incident that caused her license to be revoked occurred. She understands that what she did was wrong and that she takes full responsibility for what occurred. She stated that she really loves the real estate industry and wants to get back into it. She is asking for a second chance. She explained that she had a friend that she took over mortgage payments for and that she had power of attorney for this friend although she signed the power of attorney in the wrong spot. Her job was to make sure that they mortgage was paid. Due to her situation with her then husband, she fell behind on a few of the mortgage payments. She caught up on the payments and was not able to go through with buying the home from her client. A tenant in the home damaged the property. The client was unhappy with her not going forward with buying the home. She was surprised when the complaint was filed.

Commissioner Trapani stated that he appreciates and understands the situation Ms. Gransberry was going through but that she still had responsibility to handle her business. He also questioned about a deposit that was supposed to be placed in her escrow account but was instead used to repair her vehicle. Ms. Gransberry stated that it was her mistake and that she was doing this with the understanding that she was treating the property as if it was her own. Commissioner Ory questioned as to why she did not assist and cooperate with the Commission during the investigation. She claimed that she was not at her office to collect her mail. Commissioner Ory stated her excuse of not going to her office is unacceptable. Ms. Gransberry apologized for her mistakes.

Commissioner Flavin made motion, seconded by Commissioner Ory, to enter into executive session. Motion carried without opposition.

#### **EXECUTIVE SESSION**

Commissioner Trapani made motion, seconded by Commissioner Flavin, to exit executive session and come back to the regular business meeting. Motion carried without opposition.

Commissioner Flavin made motion, seconded by Commissioner Trapani, to deny Ms. Gransberry's request to reapply for her license based on the violation of R.S. 37.1455-failure to account for any money coming into a person's possession and belonging to others, failure to properly disburse money that belongs others upon coming into their possession, and commingling money of principals with their own. After a roll call vote, motion carried without opposition.

2. Jeannell Johnson Larry – Ms. Larry appeared before the Commission in connection with her request to be allowed to re-apply for a license.

As a result of a formal hearing held on April 15, 2010, the salesperson's license (#SALE.28197-ACT) issued to Ms. Larry was revoked. An investigation in Case Number 2010-7 determined that Ms. Larry had entered a plea of guilty to a felony charge in violation of LSA-R.S. 37:1455.A.(29).

Ms. Larry stated that she was licensed for 15 years prior to her revocation. She pled guilty to stealing SBA loan money funds and served 3 years probation. She explained that after Hurricane Katrina, she applied for an SBA loan for repairs to her home. She was approved and the funds were disbursed in increments. Once she received the first disbursement, the repairs were made and receipts had to be turned in before she could receive the next disbursement. She was not able to obtain receipts from the workers that worked on her home. She then created and altered receipts so that she could receive her next disbursement. She paid cash to the workers and therefore did not have copies of any cancelled checks to prove that she paid. She stated that she is currently paying restitution of \$100.00 a month to the federal courts and that she would like a second chance from the Commission. She is currently working as a Mary Kay saleswoman and also at East Jefferson Hospital.

After answering questions from the Commissioners, Commissioner Ory made motion, seconded by Commissioner Noles, to allow Ms. Larry to reapply for her real estate license. Motion carried with Commissioners Flavin and Gosslee voting in opposition.

### **COMMITTEE REPORTS:**

1. Budget – Commissioner Noles reported that cash balances are high due to the errors and omissions funds not yet being paid. These will be paid in February. Ms. Yu noted that revenue has increased by \$100,000. Mr. Unangst reported that licensee counts and renewals are on track with last year.

(Attachment A)

2. Education/Research/Publication – Commissioner Caffery reported that the subject matter experts are on target for the completion on the post licensing course. A first draft should be available by the end of February for review by the Education Committee.

Commissioner Trapani thanked Mr. Unangst for speaking at the Louisiana REALTORS meeting and clearing up any misconceptions about the instructor certification guidelines and new approval system. Commissioner Trapani reiterated that the Commission wants qualified instructors and are not trying to run anyone out of the business. Commissioner Flavin stated that he has one complaint from a vendor in Lake Charles regarding the new fee structure. He asked Mr. Donaldson if he was surprised or affected by any of the fees. He stated that they are higher but that he would need to look into the question further for comment. Commissioner Noles voiced his concerns of the CCIM program and the instructors that are qualified to teach. He feels some national courses being taught will not have their instructor fill out forms to teach the course. Mr. Unangst and Mr. Gremillion explained the process of filling out the form and reminded that there has always been a process for being approved to teach a course. All instructors that have previously been approved for courses were sent certification information. Mr. Gremillion explained that there is a process for course approval on a one time basis for those that are not vendors. Mr. Unangst stated that the fee for course approvals has not changed. The system is not a revenue generator for the Commission and will actually lose money based on the old system. Commissioner Caffery stated that the education changes were made to improve the quality of education and to raise the bar, not to pick on any particular group. Mr. Unangst explained that if any instructor has problems with filling out the form or has questions about the approval process that they should contact staff so that they can work with them on their approval. Commissioner Noles requested that the Commission look into issues and the cause/effect of changes that may be made on all parts of the industry.

3. Legal/Legislative/Timeshare - Commissioner Flavin reported that the Committee met prior to the business meeting and discussed the issues of (1) Buyer acknowledgement of a bonus in a sales situation and (2) Broker commissions being paid out of the closing costs. These items were tabled until the February meeting. The meeting will be scheduled for 9 a.m. and will have one hour allotted.
4. Standardized Forms – No Report.
5. Strategic Planning – No Report.
6. Errors & Omissions – No Report.

### **DIRECTORS REPORT:**

Mr. Unangst reported that the errors and omissions form was approved by the Insurance Commission and is online for use by 888 E & O Carriers.

Active licensees are at 88% renewed and inactive renewals are around 55%. Expired notices will be going out for active/inactive licensees by paper mail and email. The sponsoring brokers will also receive a mail notice for their expired licensees. Mr. Unangst feels that we will continue to lose some inactive licensees and this has been taken into consideration in the budget forecast. He does think that the mail out will have a good return on the investment. Mr. Unangst noted that the Commission is always looking for additional cost savings. Commissioner Trapani suggested at looking at year round renewals as opposed to all at one time at the end of the year. Commissioner Flavin suggested that staff contact the LA Contractor's Board to find out information on their 2-year renewal system. Staff would need to determine if this would affect the annual revenue and if this would be a hardship for some licensees. Commissioner Ory suggested accelerating Train the Trainer courses to be completed in October so that there is no rush in getting everything submitted and completed by the end of the year. Mr. Unangst agrees and explained that the post licensing course will allow the Commission to easily choose 4-hour

modules and create a course by October. He also stated that the instructor approval process will slow down after this year as courses are approved for three years. Online reporting is also now available and should limit time spent on cleaning up course reporting.

Updates are being made to the Commission's accounting software so that a balance sheet can be coincided with the operating statement.

Mr. Unangst explained that there has been more issues that have arisen due to the advertising guidelines and the terms conspicuous, discernible, and easily identifiable. In an effort to take the judgment and guesswork out of the determinations, Mr. Unangst has found standards from the U.S. Sign Council that gives standards on lettering size and color contrast for signage. This will be something that staff will be looking into further and will present at the next meeting.

Mr. Unangst introduced Mr. Thomas Fields to the Commission. Mr. Fields will be giving a presentation to staff after the meeting of his website Offer Xchange. His site provides online fill in the blank access to the purchase agreement and other real estate forms and allows for transfer between emails and a login site. The staff will be reviewing for compliance with the laws and rules. Commissioners are welcome to stay after the meeting for their input.

**PUBLIC COMMENT:**

None.

**UNFINISHED BUSINESS:**

None.

**NEW BUSINESS:**

Chairman Caffery presented Commissioner Flavin with a plaque for his leadership as Chairman of the Commission in 2012.

Ms. Deanna Norman addressed the Commission in regards to the problems her area has been having with agents taking the additional closing costs money as their bonus. Chairman Caffery requested that she share her experience in writing with the Commission and attend the Legal/Legislative meeting in February.

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

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PATRICK T. CAFFERY, JR., CHAIRMAN

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JAMES D. GOSSLEE, SECRETARY