

**Real Estate Commission  
Property Management  
Committee Meeting**

**May 21, 2020**

**Atwood Building  
550 W. 7th Avenue,  
Suite 1560  
(ZOOM ONLY)**

**Anchorage**

Call to Order

# Approval of Agenda

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT  
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING

**REAL ESTATE COMMISSION**  
*Property Management Committee*  
*Meeting Agenda*

**May 21, 2020**

**Atwood Building**  
**550 W. 7<sup>th</sup> Ave. Ste. 1560 (ZOOM ONLY)**  
**Anchorage, AK**

*Email [realestatecommission@alaska.gov](mailto:realestatecommission@alaska.gov) for ZOOM information*

**Thursday, May 21, 2020**

- 12:00 p.m.**      1. Call to Order      Taggart  
                            a. Roll Call
2. Approval of Agenda
3. Approval of February 20, 2020 Meeting Minutes
4. Public Comment
5. Summary of Mission Statement
6. Summary of Top 5 Goals
- 1. Clarity and best practices on security deposits and management of client accounts
  - 2. Advocacy for education of all property and association management
  - 3. Audit of Alaska Real Estate Commission property management and association regulations to bring up the standards to today's practice, 12 AAC 64.550, 12 AAC 64.560, 12 AAC 64.570
  - 4. Research what other states have done in the area of property and association management especially through ARELLO and Florida
  - 5. Connecting property and association management resources to the public
7. Housekeeping
- a. Education Committee & AREC Letter
  - b. Best Practice – Available Education for property management

STATE OF ALASKA  
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8. Review Goal #1 – Best Practice – Accounting
  - a. Reporting
  - b. Contract and Disclosure
  - c. Security Deposit
9. Review Goal #4 – Comparing States
10. REC Request
  - a. Consideration of Jurisdiction
  - b. Property Management FAQ for Managers and Landlords
11. Next Meeting Dates
12. Adjourn

Property Management regulations  
12 AAC 64.550, 12 AAC 64.560, 12 AAC 64.570

# Meeting Minutes

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT  
3 DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING  
4

5 REAL ESTATE COMMISSION  
6 Property Management Teleconference  
7 MEETING MINUTES  
8

9 February 20, 2020  
10

11 By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a  
12 scheduled teleconference meeting of the Real Estate Commission Property Management  
13 Committee was held December 13, 2019, at the State of Alaska Atwood Building, 550 W. 7<sup>th</sup>  
14 Avenue, Suite 1550, Anchorage, Alaska.  
15

16 **Thursday, February 20, 2020**

17 **Agenda Item 1 - Call to Order**

18 Chair, Cassandra Taggart called the meeting to order at 10:01 a.m.  
19

20 Roll Call – 1(a)

21 Attendees present:

22 Cassandra Taggart, Broker, Nova Property Management Real Property Management Last  
23 Frontier, Anchorage

24 Evelyn Luna, Salesperson, Anchorage

25 Eric Ritner, Broker, Real Solutions of AK, LLC, Anchorage  
26

27 Attendees present via ZOOM:

28 Tracy Scott, Associate Broker, Real Solutions of AK, LLC, Anchorage

29 Michael Wight, Associate Broker, Buyer's Real Estate Property Management, Anchorage

30 David Pruhs, Commission Member, Broker, Pruhs Real Estate Group, Fairbanks

31 Diane Baker,  
32

33 Staff Present:

34 Nancy Harris, Acting Executive Administrator  
35  
36

37 Approval of Agenda- 1(a)  
38

39 **On a motion duly made by, Ms. Taggart, seconded by Mr. Riker, , it was**  
40 **unanimously,**  
41

42 **RESOLVED to approve the meeting agenda.**  
43  
44

45 Approval of December 13, 2019 meeting minutes- 1(b)  
46

47 **On a motion duly made by, Ms. Taggart, seconded by Mr. Riker, , it was**  
48 **unanimously,**  
49

50 **RESOLVED to approve the December 13, 2019 meeting minutes as presented**  
51  
52

53 **Agenda Item 3 – Public Comments**

54 There were no public comments.

55 **Agenda Item 4 – Summary of Mission Statement**

56 Ms. Taggart stated the mission statement.

57  
58 Licensed property and association managers be well informed, educated and supportive of real  
59 estate needs for Alaskans.

60  
61

62 **Agenda Item 4 – Summary of Top 5 Goals**

63 Ms. Taggart stated the top 5 goals as a summary.

- 64
- 65 1. Clarity and best practices on security deposits and management of client accounts.
  - 66 2. Advocacy for education of all property and association management.
  - 67 3. Audit of Alaska of Real Estate Property Management and Association regulations to bring  
68 up the standards to today's practice.  
69 (AAC 64.64.550, 550, 570).
  - 70 4. Research what other states have done in Property Management and Association  
71 Management especially through ARELLO and Florida.
  - 72 5. Connecting property and association management resources to the public.
- 73  
74

75 **Agenda Item 5 – Investigator provide summary**

76 Ms. Taggart said she invited the REC investigator Shyla Consalo for a quick summary on the top  
77 types of phone calls and written complaints she receives so that we know what the issues are  
78 from the public's perspective.

79  
80 Ms. Consalo said regards to property management she has received a lot of non- jurisdictional  
81 phone calls in landlord tenant and HOA's which has decreased since she has gotten the word out  
82 through her trainings sessions and has clarified jurisdictional and no jurisdictional with the  
83 Commission and what avenues they have to resolve their current issues. She said she is now  
84 receiving more complaints from actual owners regarding not receiving their documents, financials  
85 in a timely manner, billing (receiving incorrect invoice) not receiving their rents in a timely manner,  
86 and misuse of funds and/or not having the funds deposited into a trust account and properly  
87 accounting of those funds.

88  
89

90 **Agenda Item 6 – Administrator Update**

91 Ms. Harris said that there is a place on the REC for best practices and can add there. She said  
92 the format of the webpage cannot change but we can find a place either on side tool bar with a  
93 page with links to other things are related.

94  
95

96 **Agenda Item 7 – Best Practice Update**

97 Ms. Harris said that the committee would present their best practices to the Commission for  
98 consideration to be placed on the REC website.

99

100 Ms. Taggart said that one way that we as a group can get information out to the public and  
101 trainers is through creating best practices and present that to AREC for review, amend and/or  
102 approval to be placed on the REC website.

103  
104

105 **Agenda Item 8 – Respond to Education Committee**

106 Ms. Taggart said that the education committee requested an opinion on what is the top topic for  
107 property management that they should consider when they are trying to divvy up the education



108 credits.

109 Committee members discussed what their top property management issues and determined their  
110 top topics for the education committee.

- 111  
112 1. Trusts, security deposits, reporting  
113 2. Fair Housing ADA  
114 3. Contracts, management and lease, what should be in those contracts  
115

116 **On a motion duly made by, Ms. Baker, seconded by Mr. Riker, it was unanimous,**

117  
118 **RESOLVED create and send a memo to the education committee and the**  
119 **AREC that indicates the top three topics of trust accounts, Federal Housing,**  
120 **and Contracts with additional details underneath it to be security deposits,**  
121 **reports, managers and lease contracts.**  
122

123  
124 **Agenda Item 9 – Discussion & Brain Storm on concern with Goal #1**

125 Goal #1 is Clarity and best practices on security deposits and management of client accounts.  
126 Approved to start a first draft for best practices and present for edits upon next meeting.  
127

- 128 1. Security deposit handling  
129  
130

131 **Agenda Item 10 – Discussion & Brain Storm Goal #2 on what is available in AK**

132 Goal # 2 is Advocacy for education of all property and association management.  
133

- 134 1. IREM (Institute of Real Estate Management)  
135 a. Certificates & Alaska CE Credit(s) classes might be offered  
136 b. Local Alaska Chapter  
137 c. <https://www.irem.org/>  
138 2. Alaska Legal Corporation  
139 a. Local Alaskan Lawyers; Also, federally funded for Fair Housing  
140 b. Offers Help Line and Public Classes & Alaska CE Credit(s) classes might be  
141 offered  
142 c. <https://www.alsc-law.org/legal-clinics/>  
143 3. NARPM (National Association of Residential Property Managers)  
144 a. Certificates Offered  
145 b. (<https://www.narpm.org/>)  
146 4. 211 (<http://211.org/>)  
147 a. A United Way Program that provides a public phone number to connect public to  
148 resources for available housing funds and training resources for  
149 Tenants/Landlords/HOA in local communities.  
150 5. Weidner Property Management at University of Alaska Anchorage  
151 a. Provides formal education with emphasis in Property Management  
152 b. May have classes that are Alaska CE Credit(s) classes might be offered to Public  
153 and Student in the program.  
154 c. (<https://business.uaa.alaska.edu/property-management/>)  
155 6. Alaska Housing Finance Corporation  
156 a. Real Estate Classes for professional(s) and included a “Landlord Class”  
157 b. Alaska CE Credit(s) classes might be offered  
158 c. <https://www.ahfc.us/pros> and / or call 907.330.6100  
159  
160 7. CAM (Community Association Management)

- 161 a. Association Certificate Training  
162 b. Alaska CE Credit(s) classes might be offered  
163 c. <https://communityassociationmanagement.com/>)  
164 8. CAI (Community Association Institute  
165 a. Association Certification Training  
166 b. Local Alaska Chapter  
167 c. <https://www.caionline.org/pages/default.aspx>  
168 9. NAR (National Apartment Association)  
169 a. Certificate Training  
170 b. (<https://www.naahq.org/>)  
171 10. AREC (Alaska Real Estate Commission)  
172 a. Alaskan Certified Trainers - There are trainers that now offer classes with an  
173 emphasis in property management.  
174 b. <https://www.commerce.alaska.gov/cbp/ContinuingEducation/Sponsor/SearchCourse>  
175 [e](https://www.commerce.alaska.gov/cbp/ContinuingEducation/Sponsor/SearchCourse)  
176 11. Weidner Property Management at University of Alaska Anchorage  
177 a. (<https://business.uaa.alaska.edu/property-management/>)  
178 12. Alaska Housing Finance Corporation  
179 a. <https://www.ahfc.us/pros>  
180 13. CAM (Community Association Management)  
181 a. <https://communityassociationmanagement.com/>)  
182 14. CAI (Community Association Institute)  
183 a. <https://www.caionline.org/pages/default.aspx>

184  
185  
186 **Agenda Item 11 – Report on Goal #4 has been created**

187  
188 **Agenda Item 12 – Adjourn**

189  
190  
191 **On a motion duly made by, Ms. Taggart, seconded by Mr. Riker, it was unanimously,**

192 **RESOLVED to adjourn**

193  
194 **All in favor; Motion passed.**

195  
196  
197  
198 **Meeting adjourned at 11:06 a.m.**

199  
200 Prepared and submitted by:  
201 Real Estate Commission Staff

202  
203 Approved:

204  
205  
206 \_\_\_\_\_  
207 Kasandra Taggart, Chair  
208 REC Property Management Committee

209  
210 Date: \_\_\_\_\_

# Oral Comments & Public Comments

# Summary of Mission Statement & Top 5 Goals

# Houskeeping

## MEMORANDUM

Date: February 20, 2020  
To: Alaska Real Estate Commission & Education Committee  
From: Kassandra Taggart, Chair, Property Management Committee  
Approved: AREC Reviewed and approved to send to Education 03/25/2020

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The Education Committee requested the Property Management Committee to provide a top three list of challenges faced in Property Management Industry that could be enhanced or addressed with education via the CE credit platform.

The Property Management Committee asks that the Alaska Real Estate Commission to review and approve the statement and to have it submitted to the Education Committee for their discussions and/or projects.

### 1. Trust Accounting

- a. Situation: Property Mangers have seen an increase in Security Deposit complaints when working with the public. Also, the investigator has reported there to be many calls questioning handling of rental property funds.
- b. Law in reference: Sec. 08.88.351. Accounts; Records of Transactions
- c. Specific Concerns.
  - i. Processing a Security Deposit in and out of a Trust Account for Residential and Commercial Property Management.
    1. An example is one brokerage depositing the first months rent and security deposit then taking it as commissions earned. Essentially confusing these types of funds to process like an earnest money does in a transaction that has closed at title.
  - ii. Types of financial reports that are transparent with the public to avoid confusion.
    1. An example is a brokerage may take to long to provide transparent documents or not enough documents for the public to understand the flow of the funds.

### 2. Federal Housing

- a. Situation: There has been a large increase in landlord(s), associations, and commercial tenant(s), wanting to charge or limit the allowance of "animals". The public has been utilizing the service animal and emotional support regulations so they may not have to follow the rules of landlord(s), association(s) and commercial tenant(s). HUD has created documents

- b. Law in reference: Federal Fair Housing Notices; FHEO-2013-01 and FHEO-2020-01
  - c. Situation: There is still a large concern around landlord(s) doing advertising of real estate properties that are not in compliance with HUD-Fair Housing.
  - d. Training on how to build a rental property advertising that describes the property and not the “ideal” tenant.
3. Contracts
- a. Situation:
  - b. Law in reference:
  - c. Due to the reliance on the purchase and sale agreements in MLS, it is easy to become complacent on what should and should not be in a basic contract.
  - d. There are now Alaska case laws that now support what should and shouldn't be charged in Property Management contracts.

## MEMORANDUM

Date: February 20, 2020

To: Alaska Real Estate Commission & Education Committee

From: Cassandra Taggart, Chair, Property Management Committee

RE: Best Practice –Optional educational resources for property management specialties

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The Property Management Committee is requesting the Alaska Real Estate Commission to approve submitting this best practice document to the list serve, add to the Best Practices list on the website, and list the trade organization under Real Estate Commission – Consumer information – Real Estate Trade Organizations section of the website.

This best practice document is regarding resources for Real Estate Licensees that has the desire to volunteer time for additional training in their field of expertise within Property Management.

The Property Management Committee completed a brainstorming activity to work on Goal # 2 - Advocacy for education of all property and association management. It was determined in today's world, there is a large amount of resources that is readily available in the education of Property Managers that want to advance their knowledge base. Due to Alaska's uniqueness, it is easy to not be aware of these resources and know there are many options available online and in person for Alaskans. Maybe once these resources that are not already offering CE credits can see there is a need in Alaska, they could follow the processes to qualify for CE credits and thus improving access to education in the field of Property Management.



## BEST PRACTICE

Date: March 19, 2020

Adopted: March 25, 2020; All in Favor

Title: Best Practice –Optional educational resources for property management specialties

To: Alaska Real Estate License Practicing Property Management for Commercial, Residential, or Association Management

To: Alaska Real Estate Trainers

From: Alaska Real Estate Commission & Property Management Committee

### Statute and Or Regulation Reference:

Sec. 08.88.091(A;2); Education of Application and Licensees; Publish informational materials for the purpose of raising the standards of real estate business and the competency of licensees.

Purpose: Alaska is unique due to the distances creating a challenge for resources being available for education. We are now in a day in age where there are organizations offering options that can be utilized for licensee's desiring additional training for Property and Association Management. It is requested for approved trainers to share this information, when appropriate, and Licensee's practicing Property Management to be aware of these options. Disclosure: Below is a list of known resources at the time of this publication. This does not mean the program is necessarily approved for CE credits, each program and/or class should be reviewed individually for CE Credits options.

- 
1. IREM (Institute of Real Estate Management)
    - a. Certificates & Alaska CE Credit(s) classes might be offered
    - b. Local Alaska Chapter
    - c. <https://www.irem.org/>
  2. Alaska Legal Corporation
    - a. Local Alaskan Lawyers; Also federally funded for Fair Housing
    - b. Offers Help Line and Public Classes & Alaska CE Credit(s) classes might be offered
    - c. <https://www.alsc-law.org/legal-clinics/>

3. NARPM (National Association of Residential Property Managers)
  - a. Certificates Offered
  - b. (<https://www.narpm.org/>)
4. 211 (<http://211.org/>)
  - a. A United Way Program that provides a public phone number to connect public to resources for available housing funds and training resources for Tenants/Landlords/HOA in local communities.
5. Weidner Property Management at University of Alaska Anchorage
  - a. Provides formal education with emphasis in Property Management
  - b. May have classes that are Alaska CE Credit(s) classes might be offered to Public and Student in the program.
  - c. (<https://business.uaa.alaska.edu/property-management/>)
6. Alaska Housing Finance Corporation
  - a. Real Estate Classes for professional(s) and included a “Landlord Class”
  - b. Alaska CE Credit(s) classes might be offered
  - c. <https://www.ahfc.us/pros> and / or call 907.330.6100
7. CAM (Community Association Management)
  - a. Association Certificate Training
  - b. Alaska CE Credit(s) classes might be offered
  - c. (<https://communityassociationmanagement.com/>)
8. CAI (Community Association Institute)
  - a. Association Certification Training
  - b. Local Alaska Chapter
  - c. (<https://www.caionline.org/pages/default.aspx>)
9. NAR (National Apartment Association)
  - a. Certificate Training
  - b. (<https://www.naahq.org/>)
10. AREC (Alaska Real Estate Commission)
  - a. Alaskan Certified Trainers - There are trainers that now offer classes with an emphasis in property management.
  - b. (<https://www.commerce.alaska.gov/cbp/ContinuingEducation/Sponsor/SearchCourse>)

Real Estate Commission

Consumer information

Real Estate Trade Organizations

\*Add these to the Alaska Real Estate Commission Website

1. Weidner Property Management at University of Alaska Anchorage
  - a. (<https://business.uaa.alaska.edu/property-management/>)
2. Alaska Housing Finance Corporation
  - a. <https://www.ahfc.us/pros>
3. CAM (Community Association Management)
  - a. <https://communityassociationmanagement.com/>
4. CAI (Community Association Institute)
  - a. <https://www.caionline.org/pages/default.aspx>

# Review Goals

## MEMORANDUM

Date: February 20, 2020  
To: Alaska Real Estate Commission  
From: Cassandra Taggart, Chair, Property Management Committee  
RE: Best Practice – PM reporting

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Letter to board. Needs Drafted.

## BEST PRACTICE

Date: March 19, 2020

Adopted: (Complete when passed)

Title: Best Practice – PM Reporting

To: Alaska Real Estate License Practicing Property Management for Commercial, Residential, or Association Management, and Alaska Real Estate Trainers

From: Alaska Real Estate Commission & Property Management Committee

Regulation Reference: Which regulation is best to quote?

12 AAC 64.220. RECORD OF TRUST ACCOUNT TRANSACTIONS.

(a) A broker shall assign a transaction code and establish a transaction ledger for each written offer to purchase real estate. This ledger must include

(b) For each property management contract, a broker shall assign a transaction code that is identified with a specific landlord or property. The broker shall track the funds received and disbursed for the landlord in an accompanying transaction ledger. The broker shall also track the funds of each tenant through a related but separate transaction code and transaction ledger. These transaction ledgers must include

(e) A broker shall retain the following transaction and trust account records:

12 AAC 64.570. PROPERTY MANAGEMENT OF REAL PROPERTY. (

(E) written documentation to refund a security deposit or deduct money from a security deposit.

Statue Reference: ? Which statue is best to quote?

Sec. 08.88.351. Accounts; records of transactions.

(a) A real estate broker shall

(2) provide upon request to any principal in a transaction an accounting for all money or other property collected or held in the course of each transaction;

(5) make available to the commission, on request, account records and all other documents that the commission may require in order to conduct an investigation or to audit an account required under this section;

(6) if records are delivered to a partnership, corporation, or business entity other than another licensed broker upon termination of employment, ensure by contract the maintenance and availability of those records for a minimum of three years in accordance with this section.

(b) A real estate licensee

(1) shall keep, for a minimum of three years, a complete record of all real estate transactions in which the licensee was a principal;

Sec. 08.88.615. Duties owed by licensee in all licensee relationships. (

(3) the presentation of all written offers, written notices, and other written communications to and from the person in a timely manner regardless of whether the real estate is subject to an existing contract for sale or lease or the person is already a party to an existing contract to buy or lease real estate;

(5) accounting in a timely manner for all money and other property received from or on behalf of the person

Purpose: **Draft Statement** Property Management closely works with financials and data information that .....court and liability complication....

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## Statement

### 1. Broker Policy Handbook:

- a. Encourages a policy on what, how, and when, a property manager will provide property and financial data to the broker for review and record keeping.
  - i. Example: Whether it is a physical handout, via electronic means, or a website to log in and view there should be something provided to the owner on what reports the owner should be expecting, the frequency of when they will be receiving the reports and how they will be receiving said reports.
- b. Encourages a policy to be established on how the public can request and receive a copy of their data and by when.

### 2. Management Contract:

## MEMORANDUM

Date: February 20, 2020  
To: Alaska Real Estate Commission  
From: Kassandra Taggart, Chair, Property Management Committee  
RE: Best Practice – PM Contracts and Disclosures

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Letter



BEST PRACTICE

Date: March 19, 2020

Adopted: (Complete when passed)

Title: Best Practice – Brokerage & PM Contract and Disclosures

To: Alaska Real Estate License Practicing Property Management for Commercial, Residential, or Association Management

To: Alaska Real Estate Trainers

From: Alaska Real Estate Commission & Property Management Committee

Regulation Reference: Which regulation is best to quote?

Statue Reference: Which statue is best to quote?

Sec. 08.88.695. Definitions for AS 08.88.600 – 08.88.695. In AS 08.88.600 – 08.88.695, (1) “compensation” includes a commission;

12 AAC 64.240. BROKER'S COMMISSION. (

12 AAC 64.570. PROPERTY MANAGEMENT OF REAL PROPERTY.

(f) If the property is owned by a partnership, corporation, limited liability company, or other such legal entity in which a licensee has an interest, the licensee must disclose a licensee’s ownership position and ownership entity to the broker. If one or more licensees combined have a controlling interest or participate in the day-to-day operation or management of the subject property, the licensees are subject to this section except for (b)(2)(B) of this section. In lieu of compliance with (b)(2)(B) of this section, the financial records and copies of rental agreements for the property must be made available to the licensee’s broker for oversight and review.

Purpose: Draft Statement

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Statement

1. Broker Policy Handbook:

- a. Define what financial activity will be allowed or not be managed by the property manager.
  - b. Should define the required experience and/or training prior to allowing a licensee to manage different types of property management contracts.
  - c. Should define what specific types of property management is allowed or not in the brokerage.
    - i. Example: Air B&B, Multi-Family, Residential, Commercial, Homeowner Association
2. Management Contract
- a. Encourages a clarification on what financial duties will or will not be performed by the Property Manager and/or Broker in regards to income and/or expenses related to the real property.
    - i. Example including but not limited to utility bills, HOA costs, third party billings, customer provided invoices, rental income, marketing, leasing, reserve management, investment accounts, storage, parking, fines, coin machines
  - b. Encourages a clarification on who the responsible party is for remitting of funds for certain operational expenses including but not limited to any of the items listed in (d)(i).
    - i. Including but not limited to utility bills, HOA costs, third party billings, customer provided invoices, rental income, marketing, leasing, reserve management, investment accounts, storage, parking, fines, coin machines
  - c. Disclosure at termination of management contract a “no later than” date on when the customer will be receiving any of the following but not limited to;
    - i. Final financial documents and funds, Tenant information/documents (if applicable), Contracts, Property records, Physical access materials, Unpaid invoices, Passwords/Login Information
  - d. All monies collected as a form of management commission(s) to include the following but not limited to
    - i. Management, Collections, Leasing, Marketing, Violation, Application, Mark-up’s, Maintenance, Administrative, Banking, Postings/Notice, Legal,
    - ii. Additional Services to be determined between Broker and/or Property Manager and the customer
  - e. Encourages a clarification on what third party management duties will or will not be performed by the Property Manager and/or Broker in regard to income and/or expenses related to the real property.

- i. Example: Vendor 1099 documents, Vendor Insurance verification, utility forms and documents, How HOA matters will be communicated, who manages the exterior care
    - f. Encourages a clarification on maintenance duties will or will not be performed by the Property Manager and/or Broker in regards to income and/or expenses related to the real property.
      - i. Approvals, Communications, Large Projects, Insurance Projects, In-house technicians, Out-sourced technicians, sub-contracted, confirmation of insurance, licensed, and bonded, who will sign approved work agreements with third-parties, bidding, emergency,
- 3. Lease Contract
  - a. ....
- 4. Management Contract Disclosures:
  - a. Any type of maintenance income/revenue that may be collected and retained by the Broker and/or Property Manager as a form of commission.
  - b. Broker and/or Property Manager has a potential financial benefit derived from a reciprocity agreement with other companies.
  - c. Disclosure of other companies, divisions, and subsidiaries with financial interest.
- 2. Lease Contract Disclosures:
  - a. Lead Base
  - b. Utility
  - c. Association

- a. Encourages a clarification on how often to report financial data. It is considered best practice for a Broker and/or Property Manager to provide financial data to the customer no less than every thirty (30) days.
  - b. Encourages a clarification on how the parties intend to deliver the designated financial data to the customer(s).
  - c. Encourages a clarification on what the Broker and/or Property Manager intends to report to the customer(s)
    - i. See list of financial reports below as a guide
  - d. Encourages a clarification on what financial data will or will not be provided by the Property Manager and/or Broker in regard to income and/or expenses related to the real property.
    - i. Including but not limited to utility bills, HOA costs, third party billings, customer provided invoices, rental income, marketing, leasing, reserve management, investment accounts, commissions to broker/property manager, storage, parking, fines, coin machines
  - e. Data to be provided at termination of management contract
    - i. A “no later than” date on when the customer will be receiving any of the following but not limited to;
      - 1. Final financial documents and funds
      - 2. Tenant information/documents (if applicable)
      - 3. Contracts
      - 4. Property records
      - 5. Physical access materials
      - 6. Paid / Unpaid invoices
      - 7. Passwords/Login Information
  - f. Data to be released/provided at termination of a lease contract.
    - i. A “no later than” date on when the customer will be receiving any of the following but not limited to;
      - 1. Security Deposit Transmittal
      - 2. Financial Supporting Documents
3. Types of Reports/Data:
- a. The intent is to define the information to be shared, not necessarily the name of the report.
  - b. Balance Sheet – Ledgers, trust accounts, and other related accounts where the Broker and /or Property Manager is reconciling the financials on behalf of the customer, a report should be provided that discloses the amount in the account(s) and time frame associated for when the report is generated.

- c. Income / Expense Sheet – Ledgers, trust accounts, and other related accounts where the Broker and /or Property Manager is reconciling the financials on behalf of the customer, a report should be provided that discloses any income and/or expenses in those account(s) during the reported period and any income and/or expenses posted in the future of the reported period.
  - d. Unoccupied / Occupied Data – Commonly known as Rent Roll or Homeowner Directory – Real Estate that the Broker and/or Property Manager has under a management contract(s), a reporting sheet that discloses total occupancy, status of occupancy, potential/actual revenue, and/or uncollected balances; whichever is relevant.
4. Definitions
- a. Customer – Included but not limited to the following; a landlord, tenant, entity, vendor, homeowner, government, HOA association/board
  - b. Data – Any information that is relevant to that customer in particular.

State Name	Hours to Completed RE Licensing	Required RE confirmatin - Begin Phase II	Required ?	Classes - Online or In Person?	Property Manager LC or Extra	HOA CAM= Community Association Manager License / Extra	Other Considerations	Trust Accounts for rent receipts (Arelllo)	Trust accounts for SD (Arelllo)	Activities regulated by licensure (Arelllo / Commercial)	Activities regulated by licensure (Arelllo / Residential mgmt)	Activities regulated by licensure (Arelllo / vacation)	Activities regulated by licensure (Arelllo / on-sight managers)	Activities regulated by licensure (Arelllo / HOA)
Alabama	60	45	Yes	Online			Plus 30 hours training in first 12 months	y	n	y	y	y	y	y
Alaska	40	30	Yes	Online			Must have Salesperson LC							
Arizona	90	68	Yes	In Person				y	y	y	y	y	y	y
Arkansas	60	45	Yes	Online				y	y	y	y	y	y	n
California	135	101	Yes	Online				y	y	y	y	n	n	n
Colorado	168	126	Yes	Online										
Connecticut	60	45	Yes	In Person										
DC	60	45	No	Online	Yes / Arelllo			y	y	y	y	n	n	n
Delaware	99	75	Yes	In Person										
Florida	63	47	Yes	Online		Yes / RPM		n	n					
Georgia	75	56	Yes	Online		Yes / RPM		y	n	y	y	n	y	y
Hawaii	60	45	Yes	Online	Yes	Yes	State registration required	y	y	y	y	y	y	y
Idaho	90	68	No	In Person						y	n	n	n	n
Illinois	90	68	Yes	Online	Yes / RPM	Yes / RPM	National Board of Certification for Community Association Managers/ 15 hour leasing agent req.							
Indiana	90	68	Yes	Online										
Iowa	60	45	Yes	Online				y	n	y	y	n	n	n
Kansas	30	14	No *	Online			*Residential (if Commercial or other yes)			y	n	n	n	n
Kentucky	96	72	Yes	Online										
Louisiana	90	68	Yes	Online										
Maine	55	47	No	Online				n	n	y	n	n	n	n
Maryland	60	50	No	Online						y	n	n	n	n
Massachusetts	40	30	Yes	Online			Renting and leasing are NOT incidental to their involvement as a property manager							
Michigan	40	30	Yes	Online										
Minnesota	90	68	Yes	Online										
Mississippi	60	45	Yes	Online				n	n	y	y	n	n	n
Missouri	48	36	Yes	Online				y	n	y	y	y	y	n
Montana	60	45	Yes	Online	Yes / Arelllo			y	y	y	y	y	y	y
Nebraska	60	45	Yes	Online										
Nevada	114/145	109	Yes	Online	Yes/ Arelllo	Yes / Arelllo	Property Manager Permit (+ CAM for HOA) required			y	y	y	n	y
New Hampshire	40	30	Yes	In Person										
New Jersey	75	56	Yes	In Person										
New Mexico	90	68	Yes	Online										
New York	75	56	Yes	Online										
North Carolina	75	56	Yes	In Person *				y	y	y	y	y	n	n
North Dakota	45	34	Yes	Online						n	n	n	n	n

State Name	Hours to Completed RE Licensing	Required RE confirmatin - Begin Phase II	Required ?	Classes - Online or In Person?	Property Manager LC or Extra	HOA CAM= Community Association Manager License / Extra	Other Considerations	Trust Accounts for rent receipts (Arelo)	Trust accounts for SD (Arelo)	Activities regulated by licensure (Arelo / Commercial)	Activities regulated by licensure (Arelo / Residential mgmt)	Activities regulated by licensure (Arelo / vacation)	Activities regulated by licensure (Arelo / on-sight managers)	Activities regulated by licensure (Arelo / HOA)
Ohio	120	90	Yes	Online				y	y	y	y	y	y	y
Oklahoma	90	68	Yes	Online										
Oregon	150	113	No	Online	Yes / Arelo	Yes/ Arelo	Property Management License or Real Estate License	y	y	y	y	n	y	n
Pennsylvania	75	56	Yes	Online										
Rhode Island	45		Yes	In Person										
South Carolina	90	68	Yes	Online	Yes / Arelo	Yes / Arelo	Property manager license 41 hours	y	y	y	y	y	y	n
South Dakota	116	87	Yes	In Person/Home study	Yes / RPM	Yes / RPM	Property Manager License 24 hrs.							
Tennessee	90	68	Yes	Online										
Texas	180	135	Yes	Online			114 Days at 3.5 hours per weekday 3 months							
Utah	120	90	Yes	Online				y	y	y	y	n	n	n
Vermont	40	30	No	Online										
Virginia	60	45	Yes	Online		Yes / RPM	CAM for HOA	y	n	y	y	n	n	n
Washington	90	68	Yes	Online						n	n	n		
West Virginia	90	68	Yes	Online				y	n	y	y	y	y	n
Wisconsin	72	54	Yes	Online										
Wyoming	24	12	Yes	Online				y	y	y	y	n	n	n
<b>Total (Yes)</b>	<b>77.62</b>	<b>59.76</b>	<b>45</b>		<b>8</b>	<b>9</b>		<b>18</b>	<b>12</b>	<b>24</b>	<b>20</b>	<b>11</b>	<b>11</b>	<b>7</b>

\*Information obtained from ARELLO and RPM corporate. Information could have errors as we didn't go to each state to confirm directly.

# REC Request



## Next Meeting Dates

Adjournment