

State of Alaska

Department of Community & Economic Development

Division of Occupational Licensing

Real Estate Commission FY 00 Annual Report

**Audrey Foldoe, Chair
Ruth Blackwell
Clarence Bolden
Gail Dossman
Linda Freed
Clair Ramsey
Larry Spencer**

**Rosanne Alexander,
Executive Administrator**

Alaska

Department of Community and Economic Development

Division of Occupational Licensing

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July 25, 2000

Ms. Catherine Reardon, Director
Division of Occupational Licensing
P. O. Box 11806
Juneau, Alaska 99801-0806

Dear Ms. Reardon:

Enclosed is the annual report of the Real Estate Commission for FY 2000 to meet the statutory requirements under AS 08.01. I am pleased that the Commission has been able to meet its challenges new staffing at the Commission office. Particularly, the renewal process was relatively uneventful, and 1831 licensees reinstated their commitment to our industry.

The demand for information continues to grow, making it increasingly important that new as well as experienced licensees are offered the best real estate education available. The Commission's education committee has been active in maintaining high certification standards for courses and for instructors.

Statutory changes require regulatory guidance to be effective, and regulations refining HB33 and revising the property disclosure statement are now in process.

I have enjoyed heading the Commission this past year and look forward to continuing our service to Alaskans.

Yours truly,

Audrey Foldoe, Chairperson
Real Estate Commission

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REAL ESTATE COMMISSION MEMBERS

As of June 5, 2000

Name & Mailing Address e-mail Address	Telephone, Judicial District			Term Expires
	Work	Home	Fax	
AUDREY FOLDOE 627 Gaffney Road Fairbanks, AK 99701 Audrey@pobox.alaska.net	456-6000 Broker, 4th Jud. Dist.	452-5453	456-6522	1/31/2001
RUTH BLACKWELL 9040 Glacier Highway Juneau, AK 99801 ruthb@eagle.ptialaska.net	789-3888 AB, 1st Jud. Dist.	789-0582	789-7038 789-2835 hm.	1/31/2001
CLARENCE BOLDEN 1234 Hillcrest Drive Anchorage, AK 99518 cbolden@ak.nea.org pltinc@alaska.net	274-0536 Public Member	279-3456	274-0551	1/31/2004
GAIL DOSSMAN 646 King Authur Cir. Anchorage, AK 99518 creole@alaska.net	563-5500 AB, 3rd Jud. Dist.	338-0585	762-3189	1/31/2003
LINDA L. FREED 3295 Woody Way Loop Kodiak, AK 99615 LFREED@kib.co.kodiak.ak.us	486-9360 Public Member	486-5314	486-9376	1/31/2003
CLAIR RAMSEY 3111 C St., Ste. 100 Anchorage, AK 99503 ramsey@alaska.net	261-7552 AB, At Large	770-7777	261-7555	1/31/2000
LARRY SPENCER 175 S. Franklin St, #330 Juneau, AK 99801 spencer@pobox.alaska.net	463-4111 Broker, At Large	463-3782	463-4122	1/31/2003

Clarence Bolden – Bio

Clarence Bolden is Uni-Serv Director for the National Education Association-Alaska. He is a lawyer and established a private practice in 1982. Five years later, he moved to Alaska to take a position as Attorney Advisor to the Command at Fort Wainwright in Fairbanks. Both of his children graduated from North Pole High School.

His hobbies are cooking, gardening and travel. He has journeyed over the entire state of Alaska for both work and leisure. To answer the question "What would you do if you had not gone into the law profession?" he said that he could love to be a farmer with chickens, cows and crops!

Clarence and his wife Margarete moved to Anchorage ten years ago. Margarete teaches in Anchorage. The couple are the proud grandparents of twins (a boy and a girl) born on July 11, 2000. Clarence said "I am looking forward to being a productive member of the Commission as will work hard to participate and contribute".

GAIL DOSSMAN BIO

Gail Dossman is an associate broker at Prudential Jack White Real Estate Company in Anchorage. She is also a licensed real estate agent for the state of Nevada. Gail has lived continuously in Anchorage since 1959. She graduated from East Anchorage High School and attended UAA Anchorage. Gail is a member of the National Association of Realtors, the Anchorage Board of Realtors, North to the Future Business and Professional Women's Club and Anchorage Gateway Rotary. She also volunteers with the Big Brothers, Big Sisters program as a school-based mentor. Gail has two adult sons who live outside of Alaska.

Real Estate Commission Staff

As of June 30, 2000

Name and Mailing Address e-mail address	Phone	Fax
Catherine Reardon, Director Division of Occupational Licensing P. O. Box 110806 Juneau, Alaska 99811-8006 <u>Catherine_Reardon@commerce.state.ak.us</u>	465-2538	465-2974
Rosanne Alexander, Executive Administrator 3601 C Street, Suite 722 Anchorage, AK 99603 <u>Rosanne_Alexander@dced.state.ak.us</u>	269-8197	269-8196
Anthony Marriage, Publication Specialist 3601 C Street, Suite 722 Anchorage, AK 99503 <u>Tony_Marriage@dced.state.ak.us</u>	269-8168	269-8196
Tom Stanley, Investigator 2601 C Street, Suite 722 Anchorage, AK 99503 <u>Tom_St Stanley@dced.state.ak.us</u>	269-8189	269-8156
Michelle Mandel, Licensing Examiner 3601 C Street, Suite 722 Anchorage, AK 99503 <u>Michelle-Mandel@dced.state.ak.us</u>	269-8162	269-8196

REC Accomplishments, FY 2000

Based on the Commission's Goals and Objectives for FY: 2000, the following accomplishments are reported:

Education

The education committee continued its work in evaluating and certifying coursework needed by licensees to meet continuing education requirements. The logistics of the meetings is unwieldy because of the need for teleconferencing and the busy schedules of the members. Despite these drawbacks, the committee elicited course outlines in those areas that are lacking – management of property and of community associations, and commercial sales and leasing (see attached).

Recently, an instructor has sought Association of Real Estate License Law Officials (ARELLO) certification for courses offered over the Internet. This would assure that high quality courses were available to licensees over the Internet wherever they practice in the state. The education committee remains dedicated to its task of helping oversee the provision of high quality, cost effective educational offerings to Alaska's real estate licensees.

Staff

The staff at the Commission office remains intact since last reporting period. While each member has particular assignments, all are willing to pitch in when the workload demands teamwork. At no time was this special quality more obvious (and more necessary) than at renewal. Approximately one third of the state's renewing real estate licensees submitted their applications between January 28 and January 31, 2000, creating a backlog that the staff had worked hard to avoid throughout the licensure period.

The physical work environment is ideal for the executive administrator but less so for the other staff. Apparently, the office will continue to be housed in the midtown Frontier Building for the foreseeable future. Plans for the move to the Atwood building downtown are on hold until more space is available for state agencies.

Residential Sales

Business Ethics----3 hours

1. Problem solving using Case Law, specific to sales of real estate.
 - a. Using current – under 3 years
 - b. Discussion should include what students think happened, what did happen- why
2. Information regarding current law and trends of conduct for the real estate agent
 - a. Nation, state and local norms of conduct
 - b. Public expectations of conduct
 - i. Include in public – buyers, sellers, lenders,
 - ii. other professionals that agent inter-react with
3. Rights and responsibilities required by Alaska real estate law.

Risk Management----3 hours

1. Legal requirements and problem solving in the following areas
2. Agency disclosures- when, why, form
 - a. Property disclosures
 - b. Lender, engineer, appraiser disclosures
 - c. Compensation disclosures to all parties
3. Federal Property disclosures i.e. lead base; oil discharge, asbestos
4. Agent responsibilities and legal obligations
 - a. Federal and State Law Fair housing issues
5. Business insurance- including Workmans Comp. , E & O and Surety Fund
 - a. Benefits / what surety fund covers and does not.

Contracts ----2 hours

1. Begin with the required elements to make a legal contract of sale of real property in the state of Alaska-
2. In writing
 - a. Competent parties
 - b. Compensation
 - c. Dated
 - d. Acceptance
 - e. What else???
3. Repercussions of one of more elements not completed.
4. Requirement of agents to "fill out forms" not "practice law".
5. Include in teaching materials the general forms used by the agents in different local areas, and general discussion of the three.
 - a. Listing, sales, addendum
6. Discussion of who are parties to the contract (buyer and seller), who are vendors, who are servants (agents). And the responsibility of parties.

Property Management

Primary Topics

Landlord Tenant Act
Fair Housing
Senior Housing
ADA
State & local Laws (Ex: occupancy etc.)
OSHA
Contracts and Notices
Advertising
Insurance and Risk Management
Owner Accounting and Reporting
Security Deposits and Tenant Accounting

Community Association

Outline

I Business Ethics (3 hour course)

1. Cover the issue of disclosing business relationships with maintenance companies
2. Discloses any benefits which arise from doing business with banks or any other vendor
3. Discloses any insurance claims or work performed by an owner which may be in violation of MOA Codes, etc.
4. Would a manager serve on a Board if they hold interest in the association?
5. Reference materials: Law Report, Common Grounds, Newspaper Articles, Community Management, CAI Local Newsletter, GAP Reports

II Fiduciary Management (3 hour come)

1. Bid Specification and Negotiation of contracts keeping your client's interest at heart
2. Resale Certificate: Why have one, What does it include, Who prepares, Time Frame, Who pays and why, What statute govern the requirements, Resale vs Property, Disclosures vs Offering Statement. Engineer or Archt. Reports and why they should be considered, minutes, policies, etc.
3. Insurance & Risk Management-Document requirements, Lender Requirements, Fraud claims, Liability and examples of claims, Claim history impact on the future,
Deductible pros/cons, Underwriters inspections, working with the agent, Board of Directors coverage, Property Inspections by manager (sample forms), etc.

4. Reference materials: UCIA, Insurance Policy, Declarations, Common Grounds, GAP Reports.

III Administrative Management (2 hour course)

1. Basic Budget and Reserve review and importance of maintain accurate bookkeeping recorders.

2. Basic Accounting for the Association: Monthly Assessments receivables, payables, budget relationship, collection policy and enforcement, how far does the manager's authority go in working with delinquent accounts, etc.

3. Community Building: Correspondence gentle, mean or nasty, Creating newsletters, Conducting Board meetings, Writing minutes of the meetings, working with the

MOA to resolve issues or make improvements in the community, Who are the members of the Association (get to know their names), Drafting Policies and Rule Enforcement

4. Reference materials: The Ledger Quarterly, Common Grounds, Community Management, CAI Local Newsletter, Community First (CAI Publication)

CAI produces a great many publications and a catalog each year. I would suggest that the instructor review reference material from CAI, as they are preparing their courses.

Recommended Topics for Commercial Real Estate Continuing Education

Chris Stephens, CCIM

March 20, 2000

Leasing

Characteristics of leases by property type

- Office
- Retail
- Warehouse/industrial
- Land

Calculating leased area

- Rentable vs. useable
- Government
- New York

- State of Alaska
- Lease Listings

- Essential information
- Showings

Marketing

Tenant Representation

- Representation agreement
- Establishing position with existing landlord and broker
- Process of selecting space
- Getting paid when the landlord won't pay

Request's for Proposal

- Process
- Request for proposals
- Responding to RFP
- Comparing and analyzing lease proposals

Negotiating a Lease

- Letters of intent to lease
- Negotiating clauses of letter of intent
- Determining and negotiating Tenant improvements

Elements of a Commercial Lease Agreement

- Leasehold property rights
- Major legal clauses
- Economic clauses
- Working with legal council
- Negotiating lease clauses

Ground leases

Leases as living documents

- Assumptions
- Assignments
- Extensions
- Additions
- Deletions
- First rights of refusal
- Options
- Estopple certificates
- Non disturbance agreements
- Leases and foreclosure

Calculating Before and After Tax Cash Flow

Components of Income

Scheduled rental income

Vacancy and credit loss
Effective rental Income

Property Operating Costs

Overview of operating cost by type of property
Operating cost elements and characteristics of each

Taxation

Property Tax

- Law
- Assessment process
- Appealing assessments

Real estate income tax

- Basic elements
- Calculating taxable Income

Exchanging

- Basic provisions of law
- Exchange facilitators
- Different types of exchanges

Market Analysis

- Sources of data
- Interpreting data
- Economic forecasts
- Projecting market trends
- Dynamics of supply and demand
- Alaska's economic advantages and disadvantages

- Local communities economic advantages and disadvantages

Cash flow projections

- Projecting future income stream
- Projecting future expenses
- Determining future sales price
- Calculating net proceeds of sale before and after tax

Time Value of Money

- Compounding and discounting
- Future value and present value

Measuring Financial Return

- Understanding and calculating various measures of return

- Cash on cash return

- Internal Rate of Return

- Financial Management Rate of Return

Commercial Purchase and Sale Agreements

- Property rights

- Letters of intent
- Major legal clauses
- Due diligence clause
- Default clause
- Broker hold harmless clause
- Working with legal council
- Negotiating the purchase and sale agreement

Environmental Issues

- Environmental law
- Environmental liability
- Elements of environmental investigations
- Resolving transactional environmental issues

Title

- Standard owners policy
- Extended lenders endorsement
- Extended endorsement
- Extended endorsement as built survey
- Cleaning up title issues

Due Diligence

- Physical inspection
 - What to look for in a physical inspection
- Roofs
 - Building records
 - Reviewing leases

Closing Commercial Transactions

- Role of the title company
- Role of buyer and sellers council
- Role of the broker

Commercial Listings

- Critical elements for each type of commercial property and type of listing
- Obtaining essential information
- Verifying information provided
- Property information packages
- Showings

Commercial Property Valuation

- Appraisal approach to value
 - Difference between value and price
- Components of value
 - Investment value versus user value
 - Highest and best use
 - Capitalization Rate

Definition
Purpose
Calculation

Brokers opinion of most likely selling price

Reality of Broker Representation in Commercial Real Estate

Dealing with Joint Agency
Obtaining acknowledgement of disclosure from national companies

Working with National Brokers

Referral fees
Interfacing through out the transaction

Working with Corporation

Working with real estate managers
Preparing for changes in contact person

Development

Process
Working with
Contractors
Architects
Engineers
Regulators

Commercial Construction

Zoning


Characteristics of each type of commercial zoning
Zoning changes
Working with Municipal Planning and Zoning

Site Selection

The process
Critical site issues
Acting as nominee for an undisclosed real buyer
Optioning and other methods to gain control of a property

Working with Attorneys



The attorneys job
The brokers job
Attorneys are not deal breakers



Establishing a team environment
How to handle problems with an attorney

Consulting

Contract for services
Keeping time records
Fees
Billing and getting paid
Expert witness



Funding

Commission members monitored real estate budgets throughout FY 2000. Fees for licensure and surety fund maintenance were adjusted through regulation in the fall of 1999, resulting in an increase in the licensing fee offset by a decreased surety fund charge per licensee.

Communication

Communication with the Attorney General's office has been open. Ken Truitt, with whom staff has greatest contact, is helpful and patient when problems arise that require a lawyer's expertise.

Increasingly, the Internet is an effective and efficient tool for communicating with Commission members, licensees, potential licensees, other Division staffers, and members of the public. E-mail messages flow freely through the course of the day and can be answered with a minimum of time and effort.

Investigator Liaison

Tom Stanley is a great resource to staff. He has worked hard to eliminate the backlog of license actions. The fiscal year ended with only 45 open cases. His reports to the Commission are comprehensive and thorough.

Other

At the end of FY 2000, the Commission had instituted revision of the broker manual, with each member taking responsibility for review of a portion of the publication.

A committee has been working to revise the current Residential Real Property Transfer Disclosure Statement. Comments from industry representatives were solicited in May and June, 2000. The revision is a proposal to update the form named in AS 34.70.010. The Commission introduced a regulation project for the coming Fiscal year that is expected to result in the adoption of a revised means of property condition disclosure.

FISCAL YEAR 2000

PROGRAM: Real Estate Commission AS 08. 88 ; 12 AAC 64

Name of Individual Completing Report: Michelle Mandel, Licensing Examiner Date: June 30, 2000

<u>CATEGORY</u>	<u>NEW - ISSUED DURING FY 00</u>	<u>TOTAL AS OF 6/30/00</u>	<u>NOTES</u>
A. Current Active Licenses, Permits, Endorsements, Courtesy Licenses, Apprentice/Student Permits, etc. (List type and if issued by examination or credential, as applicable)			
1. <u>Broker</u>	<u>2</u>	<u>466</u>	
2. <u>Assoc. Broker</u>	<u>2</u>	<u>369</u>	
3. <u>Salesperson</u>	<u>169</u>	<u>1017</u>	
4. _____			
5. _____			
6. _____			
7. _____			
8. _____			
9. _____			
10. _____			
TOTAL	<u>173</u>	<u>1,852</u>	
B. Current Inactive Licenses (Only Medical, Dental, CPA, and Real Estate)			
1. <u>Broker</u>	<u>N/A</u>	<u>7</u>	
2. <u>Assoc. Broker</u>	<u>N/A</u>	<u>10</u>	
3. <u>Salesperson</u>	<u>N/A</u>	<u>22</u>	
4. _____			
5. _____			
TOTAL	<u>N/A</u>	<u>36</u>	

CATEGORY

**NEW - ISSUED
DURING FY 00**

**TOTAL AS
OF 6/30/00**

NOTES

C. Retired Licenses

1.	_____	_____	_____	_____
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
	TOTAL	_____	_____	_____

D. Disciplined or Conditioned

(Suspended, Revoked, Surrendered, Probation, Limited, Continuing Education Enforcement. etc.)

1.	<u>Suspended (*lack of Employing Broker)</u>	_____	<u>16</u>	_____
2.	<u>Active Probation</u>	<u>1</u>	<u>2</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
	TOTAL	_____	_____	_____

E. Other action taken during fiscal year for which a fee was required

(License verifications processed, roster requests, name changes, etc.)

TYPE OF ACTION

NUMBER PROCESSED

1.	License History	<u>54</u>
2.	Certified Copies of Files	<u>6</u>
3.	Name Changes	<u>5</u>
4.	Roster Requests	<u>26</u>
5.	Wall Certificates	<u>2</u>
6.	Exam Reviews	<u>N/A</u>
7.	Applications Received (new only)	<u>173</u>
8.	Bonding Research (contractors)	<u>N/A</u>
9.	<u>Change Status</u>	<u>570</u>
10.	<u>Landlord-Tenant Books</u>	<u>534</u>

F. Examination Dates

(List each examination administration separately. Subdivide if more than one exam is given in administration.)

EXAM TYPE	LOCATION	DATE	CANDIDATES	NO. PASSED	NO. FAILED
Computerized exam					

G. Board Meetings and Teleconferences

DATE	LOCATION (indicate if teleconference)
Sep 20 - 21, 99	Anchorage
Dec 2 - 3, 99	Anchorage
Mar 30 - 31, 00	Anchorage
Jun 8 - 9, 00	Anchorage

**Real Estate Commission
Surety Fund Claim and License Violation Statistics
Fiscal Year 2000**

Surety Fund

Opened	3
In process/Forwarded to hearing officer	1
Withdrawn prior to hearing	2

License Violations

Opened	41
Closed	67
Accusations filed	0
Statement of issues	1
License surrenders	0

Report of
Surety Fund Income, Expenses and
Anticipated Expenditures will be
available following consultation with
the Division's Administrative Officer

REC FY 2000 Annual Report
Statistical Education Report

Course Type	Approved
Prelicensing	10
Broker Training	4
Continuing Education (CE, elective)	111
Required Continuing Education (RCE)	12
	Total Approved
	137

Instructors Approved	Initial Approval	Recertification	Total
Permanent	14	29	43
Temporary	6	4	10
		Total Approved	53

Real Estate Commission Fiscal Year 2001 Goals

Short Term

Completion of a regulatory project for the revision of the Residential Real Property Transfer Disclosure Statement

Completion of a regulatory project to prohibit pre-determined commissions or fees by affinity group sponsors

Other

Consider policy changes or regulations in the following areas:

- ◆ Limiting designation titles used by licensees
- ◆ Adjustment of the date on which continuing education must be completed
- ◆ Establishing late fees for license reinstatement
- ◆ Reinstitution of a requirement for brokers to report absences and designation of broker-in-charge to the Commission
- ◆ Defining frequency of contact required between broker and supervised licensees
- ◆ Defining the term "material defects" as it applies to property disclosure
- ◆ Review of education committee responsibility and authority. Expansion of the scope of offerings to licensees specializing in the areas of commercial sales and leasing, community association management, and property management
- ◆ Publishing an updated broker's manual
- ◆ Collaboration with licensee associations to sponsor a training workshop for certified instructors
- ◆ Implementation of a system whereby violations of license law, including names of violators, are published in the local newspaper. Making wider use of the Commission's website, especially through the publication of forms
- ◆ Printing of an up-dated landlord/tenant handbook.

**Real Estate Commission
Travel Request
FY 2001**

A.	Regular Board Meetings – In-state	FY 2000	FY2001
	Number of meetings required by statute	1	1
	Number of meetings requested	4	4
	Locations: Summer	Anchorage	Anchorage
	Fall	Anchorage	Juneau
	Winter	Anchorage	Anchorage
	Spring	Anchorage	Anchorage

Executive Administrator to AAR Convention

B. Out-of-state Travel

FY 2001 ARELLO Annual Conference Executive Administrator from RESF funds REC member from REA funds FY 2001 ARELLO Western District Conference Executive Administrator from RESF funds	St. Lake City, UT Denver, CO
---	---

**Notes – Association of Real Estate License Law Officials
(ARELLO) Western District Meeting
Las Vegas June 13-16, 2000**

A highlight of FY 2000 for the executive administrator was the opportunity to participate in the Western District Conference of ARELLO (Association of License Law Officials). The meeting, held in Las Vegas, Nevada, was the first opportunity of the Commission's new staff to visit with counterparts in the western US and Canada.

Mortgage Brokers

The meeting opened with a discussion of mortgage loan activity, particularly involving minorities. Unlike California, Nevada does not license mortgage lenders, and this lack of regulation has, some people think, led to a lack of accountability. A panel, made up primarily of Spanish speakers, described some practices as "predatory financing", whereby minority (particularly Hispanic) applicants were denied loans at a rate greater than their numbers would suggest, or charged higher interest rates than others were.

One problem mentioned is that approximately 15 percent of Hispanics do not speak English. In Idaho, real estate forms are printed in two languages. Some lenders have video tape recordings in Spanish that explain the home buying process. A large relocation company is contemplating certification for those mortgage brokers working with minority clients.

The "Millennium Consumer"

The husband wife team of Harlan and Lyons asserted that licensees haven't been paying enough attention to the consumer. They described a "value crisis" – commissions paid to licensees have been growing faster than inflation. They also asserted that as the cost of services goes up, so does consumer expectation. This class taught that consumer benefits have been neglected; that salesperson treatment has impeded service to the consumer.

The increasing diversity of real estate consumers (in 2010, an estimated 40% of first time buyers will be immigrants) and the entrance of the "Millennium Generation" (those born after 1980 who are just entering the housing market) will cause real estate professionals to redefine their value by comparing what the consumer needs to the services offered. Someone working in the industry must add value by sorting, organizing, interpreting, analyzing and applying information for the benefit of the homebuyer or seller. In capturing business it must be remembered that "Real estate is like a game of tennis . . . you can't win without serving".

Miscellaneous

It may be better to suspend than to revoke a license. Then, incremental compliance can be required.

There is a trend to have more public members on boards and commissions.

It is permissible to go outside statutes to look for sanctions arising from settlements in enforcement cases.

What is happening "outside"?

Oregon - Legislature meets every other year. Last statute instituted 1978. Considering eliminating salesperson's licenses and becoming a single license state.

Idaho – Re-write of license law. Now have jurisdiction over unlicensed practice. Law allows a licensee to offer money to a buyer or seller – may be a way of fending off affinity groups.

Nevada – New bill allows simple administrative fine collection procedure expected to be used for small fines. In Nevada, an agency that assesses a fine may not keep it.

Wyoming – Two new commissioners. Computerized testing. Considering mandatory errors and omissions insurance.

Arizona – Renewal by Internet planned. New law permits electronic signatures, but additional cost may prohibit this.

Montana – No computerized testing. Studying mandatory errors and omissions insurance. May eliminate broker/owner, broker/associate licenses, leaving only salesperson and broker.

Hawaii – Re-codifying condo law. They have about 200,000 condo units. Renewal on Internet. Interception of tax refunds for payment of fines may be allowed. O.k. to compensate a buyer or seller.

Saskatchewan – Internet renewal. Criminal records checks. Task force on mandatory errors and Omissions insurance. Reciprocity on education standards has been proposed.

British Columbia – Recommendation for licensure for “strata managers” (condominium managers). Losing party pays the cost of hearings. Pre-screening for criminal conduct.

Texas – Moving toward on-line renewals. Home inspectors are licensed.

New Mexico – Mandatory continuing education and errors and omissions insurance. Reciprocity with Colorado. On-line renewals.

Case Law

Donna Rice, Colorado Assistant Attorney General and former real estate commission member gave a comprehensive presentation on case law and commission member responsibility. She stressed two points in her presentation 1) the fact that a real estate license is a property right; 2) commission meeting minutes should generally record the actions that were taken and that meetings should not be recorded.

**Real Estate Commission
FY 2000**

Legislative and Regulatory Proposals

- 1) Refinement of HB 33 through regulation is proposed, particularly as it relates to the payment of compensation to non- real estate licensed individuals.
- 2) The Commission anticipates adoption of a revised Residential Real Property Transfer Disclosure Statement.

No legislation is being proposed for the next fiscal year.

Tony Knowles, Governor

Alaska Department of Community and Economic Development

Division of Occupational Licensing

3601 C Street, Suite 722, Anchorage, AK 99503-5934

Telephone: (907) 269-8160 • Fax: (907) 269-8156 • Text Telephone: (907) 465-5437

Email: License@dced.state.ak.us • Website: www.dced.state.ak.us/occl

July 25, 2000

Ms. Catherine Reardon, Director
Division of Occupational Licensing
P. O. Box 11806
Juneau, Alaska 99801-0806

Dear Ms. Reardon:

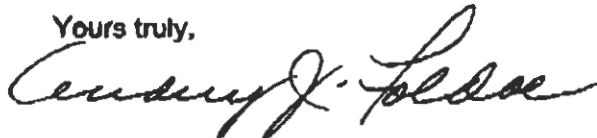
Enclosed is the annual report of the Real Estate Commission for FY 2000 to meet the statutory requirements under AS 08.01. I am pleased that the Commission has been able to meet its challenges new staffing at the Commission office. Particularly, the renewal process was relatively uneventful, and 1831 licensees reinstated their commitment to our industry.

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I have enjoyed heading the Commission this past year and look forward to continuing our service to Alaskans.

Yours truly,



Audrey Foldoe, Chairperson
Real Estate Commission

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