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2 STATE OF ALASKA
3 DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
4 DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
5

6 REAL ESTATE COMMISSION
7 MEETING MINUTES
8

9 June 27, 2024
10

11 By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62,
12 Article 6, a scheduled meeting of the Real Estate Commission was held June 27, 2024, at
13 550 W 7th Avenue, Ste 1550, Anchorage, AK, via Zoom.
14

15 **Thursday, June 27, 2024**

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

17 Chairperson Cheryl Markwood called the meeting to order at 9:03 a.m., at which time a
18 quorum was established.
19

20 Agenda Item 1(a) – Roll Call

21 Members Present via Zoom

22 Cheryl Markwood, Broker, Broker at Large, Chairperson
23 Traci Heaton, Associate Broker, 1st Judicial District
24 Devon Doran, Broker, 3rd Judicial District
25 Elizabeth Schok, Associate Broker, 4th Judicial District
26

27 Members Absent:

28 Chad Stigen, Associate Broker, Broker at Large
29

30 Staff Present:

31 Nancy Harris, Executive Administrator, REC
32 Kery Givens, Project Assistant, REC
33 Jennifer Summers, Senior Investigator CBPL, Anchorage
34 Dennis Hines, REC Investigator, CBPL, Anchorage
35 Marilyn Zimmerman, Paralegal, CBPL, Juneau
36 Amy Kennedy, Paralegal, CBPL, Anchorage
37

38 Guests Present in person:

39 Margie Hudok, Broker, Coldwell Banker Endeavor Realty, Anchorage
40 Cassandra Raun, Salesperson, & Educator, Coldwell Banker Endeavor Realty, Anchorage
41

42 Guests Present via Zoom:

43 Mark Masley, Liaison for AAR, and Salesperson, Realty One Group Aurora, Anchorage
44 Anita Bates, Associate Broker, Berkshire Hathaway HomeServices AK Realty, Anchorage
45 Paddy Coan, Associate Broker, Keller Williams Realty, Alaska Group, Anchorage
46 Brandy Pennington, Broker, Brandy Pennington Anchorage Real Estate, Anchorage
47 Teresa Block, Associate Broker, & Educator, Berkshire Hathaway HomeServices AK
48 Realty, Anchorage
49 Lonnie Logan, Broker, Realty One Group Aurora, Anchorage
50 Karla McBride, Salesperson, Realty One Group Aurora, Anchorage
51 Savannah Melendez, Educator, AHFC
52 Cristy Nugent - Educator, AHFC
53

54 Agenda Item 1(b) - Approval of 6/27 Agenda

55 The chair, Ms. Markwood, stated that the Commission will only have a quorum until 9:50
56 am. today to conduct business. Due to brevity, the agenda items that the Commission
57 addressed were:

58 Public Comment, agenda item 2
59 Review of meeting minutes, agenda item 3 a and b
60 Reinstatement of license, agenda item, 6a
61 Regulation Project, agenda item 6b.

62
63 All other agenda items will be addressed through OnBoard or teleconference.

64
65 The Train the Presenter course was to be added to the agenda. It was placed in Onboard
66 for consideration but not all members voted and so it will be addressed at the next
67 meeting.

68
69 Commission members reviewed the agenda as amended.

70

On a motion made by Doran, seconded by Schok, it was,

Resolved to approve the June 27, 2024, meeting agenda as amended.

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72

No objections. Motion passed.

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75 Statements of Conflicts of Interest/Ethics Violations– 1(c)

76 There were no conflicts of interest statements or ethics violations to report.

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78

79 **Agenda Item 2 – Public Comments**

80 Mark Masley, Salesperson, and legislature liaison for the AK Realtors gave the
81 Commission an update of the AK Realtors'® legislative priorities. He stated that they
82 started with the support of HB 134 and then it ended up as SB179 and passed. SB479
83 prevented the implementation of a transfer tax on the sale of real property at a municipal
84 and state level. He said after an extended battle through the legislative process they were
85 able to get the bill passed. He said they were excited and grateful and see it as a victory
86 for the homeowners of Alaska.

87

88 Paddy Coan, Associate Broker with Keller Williams Realty AK Group, addressed the
89 Commission again and asked that they consider putting bulletins or best practices on the
90 REC website. She stated that the Commission has had a hard time getting laws and
91 regulations updated to current practices. She said she believed that best practices would
92 help licensees to be aware of what the Commission expects of them with certain issues.
93 She said there is still confusion regarding the sale of mobile homes for a lot of licensees.
94 Mobile homes are not real property and are not covered under E &O Insurance. She still
95 sees a lot of mobile home sales in the MLS. She also commented that the real estate
96 industry needs to elevate our education for the licensees new to the real estate industry,
97 so we are not inadvertently getting people in trouble because we are not talking about
98 these issues. A second issue Ms. Coan brought to the Commission attention was a
99 possible update on the practice of how we pay commissions, especially for the larger
100 offices. Similar to what is going on in the lower 48. The Broker sends a commission
101 approval letter to the title company, the check is cut from the title company, just like a
102 vendor, and it goes back to the real estate company for distribution through the Broker.
103 She asked that the REC look at this practice because she believes that this is being
104 interpreted "paid by your broker", the language in the statutes and regulations, very literal

105 where she thinks there could be some leniency and a different way of understanding what
106 that practice could be.

107
108 Brandy Pennington, Broker for Brandy Pennington Anchorage Real Estate, addressed the
109 Commission regarding wholesaling and AI. Ms. Pennington stated that there are
110 individuals, wholesalers, that are not licensed and are using AI or virtual assistances to
111 call homeowners and make appointments to look at their property. They make a low offer
112 and if their offer is not accepted, the wholesaler says they will have a real estate licensee
113 contact the homeowner. If they sell their home, these individuals expect a referral or
114 finder's fee. She said these individuals are often predatory because they usually contact
115 homeowners that are in an adverse point in their life where they need to make a sale, or
116 their home is in disrepair. She also said that a lot of teams are using AI and you do not
117 know if you are speaking to a Bot or real person. She stated that the real estate industry
118 should take a stand and have a higher standard. There are real estate licensees accepting
119 these transactions. She said something needs to be done with wholesaling in general.
120 What is the point of real estate license if there are individuals that are doing the same
121 thing with no consequences. She asked that the Commission to consider looking at these
122 issues and how to handle integration of AI within the community and real estate industry.

123
124 Senior Investigator, Jennifer Summers, stated that there is a company that has been
125 brought to their attention, Granite Construction, LLC, that has sent out letters to
126 homeowners in Anchorage. She said that this company does not have a business license
127 or entity in AK and that is how they are dealing with this issue at this time. She said she is
128 also aware that the Chamber of Commerce has placed an alert regarding this company on
129 their Facebook page. She said this is a small drop in the bucket to fix the problem, but it is
130 what they can do that this time.

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132
133 **Agenda Item 3 – Review of Meeting Minutes**

134 **Agenda Item 3(a) –March 20, 2024**

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136 **On a motion made by Schok, seconded by Doran, it was,**

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138 **Resolved to approve the March 20, 2024, meeting minutes as**
139 **presented.**

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141 **No objections. Motion passed.**

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144 **Agenda Item 3(a) –May 15, 2024**

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146 **On a motion made by Heaton, seconded by Schok, it was,**

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148 **Resolved to approve the May 15, 2024, meeting minutes as presented.**

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150 **No objections. Motion passed.**

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152
153 **Agenda Item 6(a) – Reinstatement of Dustin Lorah**

154 Ms. Heaton said she had a conflict of interest as the reviewing member and requested to
155 be recused for this issue.

156


Ms. Markwood recused Ms. Heaton from discussion.

On a motion duly made by Doran, seconded by Schok, it was,

**Resolved to go into executive session for the purpose of discussing
the reinstatement of Dustin Lorah.**

No objections. Motion passed.

Commission went into executive session at 9:23 am.

Out of executive session at 9:36 am

On a motion duly made by Doran, seconded by Schok, it was,

Resolved to table Dustin Lorah's reinstatement until March 2025.

Roll call vote: Doran – yes, Schok -yes; Stigen – absent, and Markwood – yes,
Heaton- recused and abstained from voting.

The Commission tabled Mr. Lorah's reinstatement application until March 2025.

The Commission did not review or discuss the public comments from the proposed
regulations, agenda item 6b, due to the time constraints. They will take those into
consideration at the next scheduled meeting.

Adjournment

On a motion made by Doran, seconded by Schok, it was,

Resolved to adjourn the meeting.

No objections: Motion passed.

Meeting adjourned at 9:43 a.m.

Next meeting: September 17, 2024

Prepared and submitted by:
Real Estate Commission Staff

Approved:


Cheryl Markwood
REC Chairperson
Alaska Real Estate Commission

