

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE COMMISSION

MAY 20, 2010

The Louisiana Real Estate Commission held its regular business meeting on Thursday, May 20, 2010, at 11:00 a.m., at 9071 Interline Avenue, 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

Judy Songy, Chairman
Frank Trapani, Vice Chairman
Mike Bono, Secretary
Paul Burns
Pat Caffery
Archie Carraway
Gretchen Ezernack
Tim Flavin
Jennifer Lanasa
Cynthia Stafford

STAFF

J. C. Willie, Executive Director
Stephanie Boudreaux
Debbie DeFrates
Mark Gremillion
Ann Major
R. C. McCormick
Al Rowe
Nikki Senegal
Marsha Stafford
Malissa Wright

GUESTS

Bob Brooks, school owner
Burk Baker, school owner
Meredith Hathorn, bonding attorney
Amy Phuphanich, Louisiana REALTORS
Norman Morris, Louisiana REALTORS
Quinton Renfro, applicant

Moment of silent prayer. Commissioner Ezernack led the Pledge of Allegiance.

Chairman Songy announced that Keitha Avant resigned her position on the Commission.

Commissioner Stafford made motion, seconded by Commissioner Trapani, to approve the Minutes of Meeting of April 15, 2010, as written and circulated. Motion passed without objection.

PERSONAL APPEARANCES:

1. Meredith Hathorn, bonding attorney - Ms. Hathorn appeared before the Louisiana Real Estate Commission to explain the negotiations thus far for purchase of the loan on the building. She advised of the three loan proposals presented, only Regions Bank will negotiate without the Cooperative Endeavor Agreement from the State of Louisiana. Ms. Hathorn reviewed the relevant provisions of the Term Sheet submitted by Regions. Hathorn requested the Commission approve a resolution that accepts the Term Sheet of Regions Bank for the purchase of not exceeding \$1,200,000.00 Louisiana Real Estate Commission Revenue Bonds; authorizes the mortgaging of the Commission's property; authorizes the pledge of a collateral account; makes application to the State Bond Commission; and provides for other matters.

Commissioner Trapani made motion, seconded by Commissioner Ezernack, to adopt the resolution as presented by Ms. Hathorn. Motion passed by unanimous vote. (See Attachment A - Resolution and Term Sheet.)

2. Ernie Svenson - failed to appear.
3. Quinton Renfro - Mr. Renfro appeared before the LREC in connection with his request to sit for the real estate sales exam.

On December 19, 1994, Mr. Renfro pled guilty to Aggregated Theft. He was placed on ten years community supervision.

Mr. Renfro explained in detail the circumstances surrounding his conviction. Renfro advised he dealt with financial difficulties with his family in a very inappropriate manner. He wrote checks to himself from his employer's account for personal financial gain, and takes full responsibility for his bad judgment.

Mr. Renfro advised he received a deferred adjudication term of ten years for the Theft charge. He successfully completed all terms of his probation; made complete restitution; paid attorney fees; and completed his community service in a little over five years. As a result, he was released from further supervision after only six years and the offense was removed from his permanent record.

Renfro further advised he was employed by ClubCorp from 1997-2006 as Vice-President of Purchasing. He took a buyout from ClubCorp to start his own business, Renfro Home Renovations, LLC. In 2009 he formed a company called Move Vantage whose purpose is to manage relocation services. Hence his interest in obtaining a Louisiana license. Renfro has an active Texas Real Estate License which he received on April 5, 2010, after a thorough review of his background by the Texas Real Estate Commission.

After hearing Mr. Renfro respond to numerous questions from Commissioners, Ms. Stafford made motion, seconded by Ms. Ezernack, to approve Mr. Renfro's request to sit for the real estate sales exam contingent upon written acknowledgment from his prospective sponsoring broker of his criminal history. Motion passed by a majority vote with Commissioners Caffery and Trapani voting in opposition.

STIPULATIONS AND CONSENT ORDERS:

Commissioner Stafford made motion, seconded by Commissioner Burns, that the Commission approve the Consent Orders proposed as a result of proceedings conducted in the cases specified in the memorandums dated May 4, 2010, May 11, 2010, and May 18, 2010, from the Executive Director to the Commission, and that the Executive Director be authorized to execute the Consent Orders in the name of the Louisiana Real Estate Commission. Motion passed without objection. (See Attachment B - memorandums).

COMMITTEE REPORTS:

1. Budget - Commissioner Stafford referred explanation of financial reports and explanation of monies required for loan to Al Rowe, accountant.

Mr. Rowe, predicted, unless the agency encounters some unforeseen expenses, the budget should balance in the black for the 2009-10 fiscal year.

Mr. Willie advised that the Louisiana Real Estate Commission does fall under the Governor's Executive Order BJ 2010-6 (Executive Branch - Expenditure Freeze).

2. Education/Research/Publication - Commissioner Trapani scheduled a meeting for 9:00 a.m., Thursday, June 17, 2010.
3. Legislative/Legal/Timeshare - Commissioner Flavin reported the committee met this date and the following issues were addresses:
 - a) Legislative update by Mr. Willie;
 - b) Out-of-state Broker cooperation Task Force (due to Commissioner Avant's resignation, need replacement chair);
 - c) Proposed changes to Chapter 4107 of the Rules/Regulations were adopted by committee. Flavin made motion to ratify; second by Trapani. Passed by unanimous vote.
 - d) Chapter 55 - tabled pending staff recommendation.

Flavin requested a meeting in June. Education and Legislative committees will meet jointly.

4. Standardized Forms - Commissioner Ezernack advised proposed legislation regarding agency is being monitored.
5. Strategic Planning - no report.

DIRECTORS REPORT - handled previously.

UNFINISHED BUSINESS:

1. Service Mark issue. Commissioner Lanasa stated she feels this issue needs to be addressed by the Commission and recommended the Commission support the law firm representing opposition to the individual trying to own the words "New Orleans" and "realty". Mr. Willie advised the LREC cannot offer any monetary support, but suggested that the Commission file or intervene as a friend of the court, depending on advice from legal counsel.

Commissioner Trapani made motion to authorize Legal Counsel to look at this issue and advise appropriate action the Commission can take without offering monetary support. Motion was seconded by Commissioner Lanana and passed without opposition.

2. At this point Commissioner Caffery made the following comment to the Commission and requested the Commission not take it as an admonishment, but as a request concerning the applicant that appeared this date.

Caffery said, *"By his own admission this young man forged his owner's name on checks totally \$55,000.00. We have just agreed to let him sit to take the Louisiana real estate exam and get a salespersons license. I would ask you to please in the future consider long term ramifications of similar situations. This young man, in four years, can get a brokers license. He can have an escrow account. He can write checks out of his escrow account. Not to say that any other broker would or would not do something similar, but*

please, in the future consider the long term ramifications of people that come before us and ask for real estate licenses. Please consider it in the future.”

Chairman Songy advised Commissioner Caffery his comments were so noted; however Commissioner Ezernack requested the floor to speak to the issue. Commissioner Ezernack said she thinks the Commission does consider all facts, and feels Caffery is making a rash judgment. She further stated she considered all the applicant said and reviewed the documents prior to the meeting. She advised Caffery his comments were inappropriate.

Caffery responded, *“I don’t think it was inappropriate at all. I think it was very appropriate. I’m simply asking the Commission to consider all the facts.”*

Commissioner Flavin voiced his opinion stating he understood Caffery’s rationale, but added, *“that’s why there are eleven members of the Commission and the majority rules, and that’s why the system works.”*

NEW BUSINESS:

Commissioner Flavin made motion to establish the following procedure to adjudicate cases where licensee failed to get or complete post licensing or continuing education: Cases where licensee did not complete or obtain post licensing or continuing education as required by law and/or rule may be adjudicated for formal hearing, informal hearing or informal hearing via notarized affidavit. Motion seconded by Commissioner Trapani.

Motion amended to include the following penalty schedule. First offense - \$250.00 plus cost; second offense - \$500.00 plus cost; and third offense - appear before the Commission.

Amended motion passed by unanimous vote.

There being no further business, Commissioner Stafford made motion, seconded by Commissioner Burns, to adjourn.

JUDY SONGY, CHAIRMAN

MIKE BONO, SECRETARY