



ARKANSAS REAL ESTATE COMMISSION NEWSLETTER

Executive Director Comments

By Andrea S. Alford, AREC Executive Director

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Governor

Daryl E. Bassett
Secretary

April 2023

Arkansas Real Estate Commission

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In nearly fifteen years of working at the Commission, I have seen few issues as basic and yet as confounding to Commissioners as that of agents who fail to renew their licenses or fail to complete their annual CE on time. This year, almost 25% of all licensees fell into this category. In fact, even though we have a great deal of ground to cover in this issue of the newsletter, the Commissioners specifically asked me to use some of my prime newsletter real estate to shine a light on renewals and CE compliance.

Renewing your license on time and completing your annual CE are two fundamental requirements of maintaining an active real estate license. Your ability to continue practicing your chosen profession depends on these two basic requirements.

“Renewing your license on time and completing your annual CE are two fundamental requirements of maintaining an active real estate license.”

Understandably, the Commissioners view violations in this area very seriously, and their line of thinking is this: as a real estate professional, so much of what you do can be viewed as a direct reflection of how you represent your clients. In a business that relies on your attention to deadlines, details, and compliance with applicable laws, rules

and written agreements, what message does it send when you neglect to take the basic steps necessary to maintain your license?

Now place yourself in the consumer’s shoes: would any one of us want to be on the operating table of a surgeon who had a habit of letting his medical license expire? I, for one, would not.

Continued on Page 2

Commission Elects New Officers

At the February 2023 Commission meeting, Commissioner Suzett Sparks was unanimously elected as the new Chair of AREC. She has been a Commissioner since February 2021, and has been a Managing Broker with Lindsey & Associates in Rogers for 29 years.

Commissioner Tony W. Moore was unanimously elected as Vice Chair of AREC. Mr. Moore is serving his 3rd term on the Commission and serves as Principal Broker for Moore & Company Realtors, which has offices in Russellville, Conway, Clarksville, and Morrilton.



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This year, I hope all licensees will pay particular attention to renewing your licenses and completing your CE requirements. Principal Brokers, you bear the added responsibility of making sure your licensees comply with these as well. Deputy Director Goff has provided some very useful information on education in this issue that should help along the way. As always, please don't hesitate to contact AREC if we can be of any assistance to you.

Governor Appoints Luke Heffley and Jerry L. Halsey, Jr. to the Commission



Governor Sarah Huckabee Sanders appointed Mr. Luke Heffley to the Arkansas Real Estate Commission in February 2023. Commissioner Heffley is a multigenerational Arkansan and a native of Newton County who currently resides in Russellville, Arkansas. A graduate of Arkansas Tech University, he currently serves as the Special Projects Coordinator at Arkansas Tech. Prior to his employment at Arkansas Tech, Commissioner Heffley worked in Governor Mike Huckabee's office as Correspondence Director and Education Advisor. Commissioner Heffley previously served on the Arkansas State Board of Developmental Disabilities Services (DDS) and the Arkansas Motor Vehicle Commission.

A former Rotarian and current Gideon, his interests include travel, sports, and a history podcast that he created titled, "**Top Fold.**" Commissioner Heffley and his wife Joanne have been married for almost 30 years and have three grown daughters, Lincoln, Reagan, and McKinley.

Commissioner Heffley looks forward to serving the citizens of Arkansas as the Consumer Representative on the Arkansas Real Estate Commission.

Governor Sarah Huckabee Sanders appointed Mr. Jerry L. Halsey, Jr. to the Arkansas Real Estate Commission in February 2023 as an Industry Member. Commissioner Halsey has served as a Managing Partner and Executive Broker of Halsey Thrasher Harpole Real Estate Group of Jonesboro, Arkansas, since 2014. He was licensed as a salesperson in 1986 and received his broker's license in 1990. Commissioner Halsey sold real estate in Little Rock and Jonesboro throughout his college career and farmed with his father from 1992 – 1999, expanding the family business into real estate in 2000. In 2001, he started his own company, and has had the benefit of business relationships with partners who helped him expand his real estate experience from brokerage to development to ownership.

Commissioner Halsey's personal experience runs the gamut of the industry, with market-leading experience in retail centers, office buildings, industrial properties, agricultural properties, self-storage facilities, and undeveloped commercial and residential land. He holds a real estate license in Arkansas, Tennessee, Mississippi, Missouri, and Alabama



Continued from Page 2

and was inducted into the Northeast Arkansas Board of Realtors Hall of Fame in June 2021. Commissioner Halsey is one of only a select number who hold the CCIM certification, and the only one who holds the SIOR certification in the market. Currently, Commissioner Halsey is serving on the Arkansas State Police Foundation Board of Directors. He is President of the Board of Directors for City Youth Ministries (the preferred non-profit organization of Halsey Thrasher Harpole Real Estate Group), and he is Chairman of the City of Jonesboro PACE Commission. Past roles of service and leadership include serving as the Commissioner for the Arkansas Building Authority, Chairman of the Jonesboro Metropolitan Area Planning Commission, Member of the Jonesboro Vision 2030 Comprehensive Planning Advisory Commission (during its planning phase), SIOR President for the Arkansas Chapter, and Craighead County Coordinator for the Sarah Sanders for Governor Campaign. Commissioner Halsey is a graduate of Arkansas State University where he received a Bachelor of Science in Real Estate and Insurance.

AREC Announces 2023 Mandatory CE



At its August 2022 Commission meeting, the AREC voted to approve two mandatory Continuing Education classes for 2023. These two classes will be required in addition to the 1-hour safety course mandated by the Arkansas General Assembly. A mandatory 6-hour Supervising Broker Course will be required for Principal Brokers and Executive Brokers and a 3-hour Salesperson Best Practice Course will be required for all salesperson licensees. Associate brokers may take either course.

Based on feedback from the AREC Education Task Force, other state initiatives, and feedback from the public, the AREC determined a need to provide continuing education for brokers that emphasized and provided further education on the stringent degrees of supervision and responsibility that are entrusted through the broker license. The 2023 Supervising Broker Course will cover Broker Basics, Broker Supervision, Agency Representation, and the Transaction Process. Only brokers will be allowed to take this course. This course and the 1-hour safety course will meet the yearly continuing education courses for brokers. While brokers may also take the 3-hour Salesperson Best Practices course, they will not earn CE credit for the salesperson course.

The Salesperson Best Practice course is designed to educate on areas of salesperson licensure where improvements would benefit licensees and their clients. Topics of the course will include Property Condition and Disclosure, Important Aspects of Contracts, Agency, Advertising, and other subjects that are common to the market. All salespersons will be required to take this course, as well as the 1-hour safety course. In addition, an elective 3-hour CE course of the salesperson's choosing may be taken to meet the 7-hour annual continuing education requirement. While Associate Brokers may choose either the Broker or Salesperson required CE courses, it is recommended that an Associate Broker with aspirations of becoming a supervising broker take the broker course.

Don't hesitate to reach out to Kortney Hinton at (501) 683-8014 if you have any questions.

AREC E-Communications Announced

In order to better serve licensees, AREC is pleased to announce a portal where licensees can "opt-in" to receive email and/or text communications from AREC. Check the AREC home page at www.AREC.Arkansas.gov to sign up.

AREC Announces Automated Criminal Background Check Process

Effective immediately, Arkansas residents who apply for an Arkansas real estate license will receive an email inviting them to begin their criminal background process on-line. In a break from past processes, candidates will only send a \$50 application fee (via cashier's check or money order) to AREC to process their application. Candidates will pay the criminal background check fee on-line directly to the Arkansas State Police. Once the candidate receives an email from AREC to begin the criminal background check process, they may begin inputting their information on-line through the automated portal. To make the automated portal a successful experience, candidates must clearly print their email address and date of birth on their application form, as these will be the two items necessary to log into the portal. Candidates will be expected to check their email frequently during this process, as well as to ensure that their emails aren't sent to SPAM folders. AREC is pleased to provide this service that will expedite the application process for our state residents. Please note that non-Arkansas residents will not be able to use this on-line portal (unless they are willing to come to Arkansas for fingerprinting) and will continue to pay the \$36.25 background check fee, along with the \$50 application fee to AREC and submit fingerprint cards in order to process non-resident criminal background checks. If you have any questions, please contact any member of the AREC Licensing Team at (501) 683-8010.



FORMAL HEARING DECISIONS

The following information is extracted from Findings of Fact, Conclusions of Law and Order, and Consent Orders issued by the Commission from January 2021 through December 2022. Formal Hearing Decisions still subject to appeal are not listed.



Respondent: Michael Rushin, Principal Broker Mike Rushin Realtors FH: 3624

Violations: 17-42-311(a)(2), 17-42-311(a)(6), Rules 10.4(b), 10.8(e), 10.8(g)(1) & (2), 10.9(b)

Sanctions: \$7,000 fine and Respondent Rushin must appear before the Commission prior to reinstatement of a license.

Respondent: Michael Rushin Jr., Executive Broker Mike Rushin Realtors FH: 3624 and 3667

Violations: 17-42-311(a)(2), 17-42-311(a)(6), Rules 10.8(c), 10.8(g)(1) & (2), Rule 8.5(a)

Sanctions: \$1,500 fine and completion of the AREC Property Management Record Keeping Course

Synopsis: Respondent Property Manager Rushin managed a property for an owner who was living out of state. The tenants in the property had issues with repairs that needed to be completed. Respondents failed to acquire permission from the property owner for repairs above the amount listed in the property management agreement. Respondent failed to use the owner's home warranty company for repairs, and charged the owner for carpet cleaning which had been completed and paid for directly by the owner. Respondent Property Manager also failed to remit or account for all funds coming into the Broker's possession, failed to keep proper records of deposits and disbursements, and failed to reconcile the trust accounts at least monthly.

Recovery Fund Order: As a direct result of these proven violations, the Commission ordered Respondent Rushin to pay \$1,314.94, jointly and severally to the Complainant.

Respondent(s): David Lorton, Searcy Home Town Realty FH: 3700
Jennifer Stein, JDS Real Estate Services FH: 3701
Larry Hale, Hale Real Estate Sale FH: 3702
William Artmer Lucky III, The Lucky Company FH: 3704
Janice Huffstickler, Real Property Management Delta-Searcy FH: 3705
Gary Coleman, Village Ventures Realty FH: 3706
John Cox, Cox Auctions & Realty FH: 3722
Brad Payne, Arkansas Elite Real Estate & Consulting FH: 3723
Darryl Beasley, Coldwell Banker Group One FH: 3725

Violations: 17-42-311(a)(2), Rule 6.3(b)

Sanctions: \$350 fine

Synopsis: Respondent Principal Brokers participated in activities requiring a license while their license was expired at the beginning of 2021.

Respondent(s): Chris Webb, Red Apple Real Estate FH: 3717

Violations: 17-42-311(a)(2), 17-42-311(a)(10), and Rule 10.5

Sanctions: \$500 and 6 hours of education in Broker Responsibilities

Synopsis: Respondent Principal Broker transferred to a new firm but failed change advertisements to reflect the license transfer. Respondent also continued to direct online and telephone contact for Red Apple Real Estate to himself after transferring to Crye-Leike Brock Real Estate.

Respondent(s): Brenda Rhoads, Crye-Leike Realtors North Little Rock FH: 3718

Violations: 17-42-311(a)(2), Rule 10.8(b)

Sanctions: \$250 fine and 6 hours of continuing education

Synopsis: Respondent Listing Broker failed to properly deposit funds belonging to her Seller client into the firm's trust account. The funds were related to hiring a cleaning firm on behalf of the Seller.

Respondent(s): Olin Hardman, United Country Crystal Lakes, Realtors FH: 3806
Nicholas Edgar Gatlin, Trova Real Estate Services FH: 3808
Wendy Ann Moore, Wendy Moore Real Estate FH: 3809
Deanna R. Crook, Homescape Realty FH: 3810

Violations: 17-42-311(a)(2), Rule 6.3(b)

Sanctions: \$500 fine

Synopsis: Respondent Principal Broker participated in activities requiring a license while their license was expired at the beginning of 2022.

Respondent(s): Amanda Ables, Salesperson and Chad Richard Raney, Principal Broker ScaleSpace Realty FH: 3682

Violations: 17-42-311(a)(2), 17-42-316(b)(2)(B), Rule 8.5(a), Rule 10.4(b)

Sanctions: Amanda Ables - \$500 and 18 hours of salesperson post-license education

Chad Raney - \$1,500 and 18 hours of salesperson post-license education. Respondent Raney's broker license was revoked but he was allowed to remain licensed as a salesperson. Respondent Raney can reapply for a broker license after two years.

Synopsis: Respondent Buyers Agents failed to submit the Inspection, Repair and Survey Addendum to the Listing Agent/Seller within the ten days as required in the Real Estate Contract. The Buyer was lead to believe the Seller agreed to make repairs until they were notified the day before closing that there was no agreement to the addendum.

Recovery Fund Order: As a direct result of these proven violations, the Commission ordered Respondents Isom and Cobb to pay \$520.00, jointly and severally to the Complainant.

Respondent(s): Robin Fagan, Crye-Leike Realtors Hot Springs FH: 3684

Violations: 17-42-311(a)(2), 17-42-316(b)(1), (b)(2)(A), and (b)(2)(B), and Rule 8.5(a)

Sanctions: Six hours of continuing education

Synopsis: Respondent Dual Agent failed to encourage their Buyer client to have a home inspection and failed to ensure the contract was written in accordance with the Buyer's wishes. The Buyer did not intend to purchase the property AS IS WHERE IS and believed items previously discovered in a home inspection were repaired or corrected. The Complainant and Respondent reached a settlement in regard to restitution.

Respondent(s): Michael Bader Salesperson, Collier & Associates FH: 3726

Violations: 17-42-311(a)(2), 17-42-311(a)(11), Rules 8.1(b) and (c), 8.5(a), 10.1(b), 10.4(d)(2), and 10.10(a).

Sanctions: \$1,500 fine and \$6,562.00 restitution to be paid to the Complainant. Respondent Bader would be required to appear before the Commission prior to reinstatement of license.

Synopsis: Respondent Bader failed to secure proper signatures on multiple contract documents and failed to notify his Principal Broker of the transaction. Respondent Listing Agent Bader negotiated the sale of the subject property to the Complainant. The contract indicated Non-Representation but no Non-Representation Addendum was included. The contract was signed by Respondent Bader as Listing Agent but not by Bader's Principal Broker. No Listing Agreement was provided to the AREC. The initial complaint arose from a serious drainage issue at the property. The issue of the drainage was addressed in an agreement whereby the Complainant agreed to accept the restitution amount.

Respondent(s): Julie Ann Ralston Salesperson, Lindsey & Associates, Inc. FH: 3770

Violations: 17-42-311(a)(2) and Rule 10.16(a)

Sanctions: \$250 fine

Synopsis: Respondent failed to report a misdemeanor conviction to the Commission within thirty days as required by Commission Rule 10.16(a).

Respondent(s): Roma Isom Salesperson, and Scott Cobb Principal Broker, First National Realty, Realtors FH: 3765

Violations: 17-42-316(b)(1), 17-42-316(b)(2)(A) and (B), 17-42-311(a)(2), Rule 8.5(a) and Rule 10.4(b)

Sanctions: Scott Cobb - \$500 fine and 30 hours broker post-license education
Roma Isom - \$2,000 fine and 30 hours of continuing education

Synopsis: The Complainant Buyer attended a first-time home buyers class taught by Respondent Isom and decided to use Isom as her Buying Agent. The contract included the requirement that the Buyer be allowed to choose the contractor for fencing to be replaced on the property. There were additional repairs requested and the Seller agreed to make repairs. Respondent Isom coordinated some of the repairs and the fence project, hiring his business partner's contracting firm for the work. The Complainant Buyer was not given the opportunity to choose the contractor. After closing, and without confirming the work was completed, Respondent Isom authorized the release of \$10,000 held in escrow for repairs. These funds were paid to Isom's business partner's firm. The Complainant later received \$8,000 back from the contractor.

Recovery Fund Order: As a direct result of these proven violations, the Commission ordered Respondents Isom and Cobb to pay \$1,382.76, jointly and severally to the Complainant.

Respondent(s): Angela Yvette Roberson, Salesperson Innovative Realty FH: 3796

Violations: 17-42-311(a)(2), 17-42-311(a)(13), Rule 8.5

Sanctions: \$500 and six (6) hours of education

Synopsis: Respondent Roberson represented Buyers in the purchase of the subject property. The Sellers and Buyers agreed that items in storage in the attic would convey to the Buyers. Prior to closing Respondent Roberson took items from storage at the property to donate to a charity along with personal items she was donating. The Listing Agent contacted Respondent Roberson and the items were returned to the property.

Respondent(s): William Loren Payne, Principal Broker Flat Fee Realty FH: 3801

Violations: 17-42-311(a)(2), 17-42-311(a)(13), 17-42-316(b)(2)(B), and Rule 8.5(a)

Sanctions: \$500 and 6 hours of education in Agent and Broker Responsibility

Synopsis: Respondent Buyer Agent failed to review agent remarks in the MLS for special showing instructions and entered the subject property with his buyer clients without wearing masks and booties as required by the Seller who was immunocompromised. The Seller then barred the Respondent and his clients from viewing the property a second time.

Respondent(s): Ashley Robbins, Inactive Salesperson FH: 3795

Violations: 17-42-311(a)(2) and Rule 10.16(b)

Sanctions: Letter of Reprimand, and the Respondent must appear before the Commission prior to reinstatement.

Synopsis: Respondent failed to report a judgment entered against her with the thirty-day period required in Rule 10.16(b).

Respondent(s): Angela Lavone Diamond-Robinson, Unlicensed FH: 3797

Violations: 17-42-105(a)(1) and 17-42-301(a) and (d)

Sanctions: \$500 and the Respondent cannot apply for an Arkansas real estate license for two years.

Synopsis: Respondent advertised herself as being engaged in the business of real estate without holding a license. The advertisements included social media posts and branding on her vehicle.

Respondent(s): Terri Summers, Salesperson and Jeremiah Oltmans, Principal Broker, Crye-Leike Realtors Bryant FH: 3756

Violations: 17-42-311(a)(2), 17-42-311(a)(13), Rule 8.5(a), Rule 10.4(b) and Rule 10.10(a)

Sanctions: Terri Summers - \$500 and 18 hours of sales post-license education
Jeremiah Oltmans -\$1000 and 30 hours of broker post-license education

Synopsis: Respondent Listing Agent Summers failed to ensure that the exact listing agreement was written in accordance with the Seller's wishes. This caused the listing to be placed back on the market when the contract terminated. When the property was placed back on the market, the list price was not approved by the Seller.

Respondent(s): Amanda Norwood, Salesperson Re/Max Advantage Heber Springs FH: 3792

Violations: 17-42-311(a)(2), 17-42-311(a)(13), Rule 10.5, Rule 10.10

Sanctions: \$1,500 fine and 18 hours of sales post-license education

Synopsis: Respondent Agent/Seller listed her personal property for sale without properly including the name and contact information of her firm in advertisements.

Respondent(s): Gregory* Mays, Principal Broker UPM Realty FH: 3807

*An earlier version of this newsletter incorrectly listed this broker as George Mays.

Violations: 17-42-311(a)(2), Rule 6.3(b)

Sanctions: \$500 fine and twelve hours of continuing education in broker level courses

Synopsis: In consecutive years, Respondent Principal Broker participated in activities requiring a license while his license was expired.

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Inside This Issue

Executive Director's Comments.....1, 2
Election of Commission Chair & Vice Chair.....1
New Commission Appointments.....2, 3
2023 Mandatory CE Requirements.....3
Opt-In Portal.....3
Automatic Background Portal Process.....4
Formal Hearing Decisions.....4-7

2023 Mandatory CE

**All active licensees are required to complete a total of
7 hours of CE by December 31, 2023 to include the following:**

- 1-hour Safety Course – All Licensees
- 6-Hour Broker Supervision Course – Mandatory for all Principal and Executive Brokers
- 3-Hour Salesperson Best Practice Course – Mandatory for all Salespersons
- 3-Hour Elective CE Course – Mandatory for all Salespersons

Associate Brokers may take the Broker Supervision Course **OR** the 3-Hour Salesperson Course + a 3-Hour Elective CE Course. Salespersons **will not** be permitted to take the Broker Supervision CE Course. See the AREC website for further information. **IMPORTANT**

NOTE: It is the licensee's sole responsibility to ensure CE is reported to AREC by the deadline.