



ARKANSAS REAL ESTATE COMMISSION NEWSLETTER

July 2018

Arkansas Real Estate Commission

612 South Summit Street
Little Rock, AR 72201-4701
Phone: 501-683-8010
Fax: 501-683-8020

Administration:
arec@arkansas.gov

Web page:
www.arec.arkansas.gov

Members of the Commission

Tony Moore, Chair
Russellville

Bob Walker, Vice Chair
Jacksonville

Linda Prunty
Jonesboro

Dee Holcomb
Pine Bluff

Doyle Yates
Springdale

Commission Staff

Gary C. Isom
Executive Director

Andrea S. Alford
Deputy Executive Director

Yvonne Halstead
AREC Supervisor

Executive Director Comments

By Gary C. Isom, Executive Director

Advertising Regulations – 10.5 Update

In the March 2018 AREC newsletter, licensees were informed that revisions to Commission Regulation 10.5, which sets out the requirements for advertising, would be a priority in 2018. Licensees were also encouraged to review the proposed revisions on the AREC website.

For those of you who reviewed the proposed changes and provided comments to the Commission, we appreciate your feedback. At the April 2018 Leadership Meeting of the Arkansas REALTORS® Association, the Legislative Committee formed a task force to review the proposed changes. Subsequently, that task force recommended changes to the proposed language that have been accepted and incorporated by the Commission. Furthermore, based upon comments from other licensees, the Commission has removed a section that would have required that unlicensed persons be identified as such in any advertising in which they appear. That entire section has been extracted. The Commission also added verbiage that sets out the dates for compliance with the various new requirements.

As stated in that newsletter article, advancements in social media and new business models are necessitating updated regulations.

The revised proposal to Regulation 10.5 has been posted on the AREC website at www.arec.arkansas.gov. We encourage all licensees to review the proposed changes. A public hearing will be scheduled for the proposed amendment. Once the date for the public hearing has been determined, that information will be posted on the AREC website.

For additional details about the need for the proposed amendment, please refer to the article in the March 2018 newsletter here.

Make Every Connection Matter

by Executive Director, Gary Isom

August Commission Meeting will be held:

August 13th, 2018
9:00AM

Fort Smith Court House
35 South 6th Street, Room 204
Fort Smith, AR 72901



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 2018 through May 2018. Formal Hearing Decisions that have been appealed are not listed.

Respondent(s): David Yarbrough, Revoked, Fort Smith, Arkansas, Formal Hearing# 3566

Violation(s): Arkansas Code Annotated §17-42-103(10), §17-42-103(13), §17-42-105(a)(1) and §17-42-109.

Sanction(s): The Commission votes unanimously that Respondent Yarbrough pay a penalty of \$1,000.00 to the Arkansas Real Estate Commission.

Respondent David Yarbrough obtained his Arkansas Salesperson license on August 8, 1984. From August 8, 1984 to October 28 1985, Respondent Yarbrough was licensed with Price Realtors, Fayetteville, Arkansas. On October 28, 1985, Respondent transferred his license to Ron Calhoun & Associates, Fort Smith, Arkansas. On July 22, 1987 Respondent Yarbrough obtained an Associate Brokers license with Ron Calhoun & Associates, Fort Smith, Arkansas, and was so licensed until January 16, 1991. Respondent was licensed as an Executive Broker with Kralicek Realty, Fort Smith, Arkansas, from January 16, 1991 until February 11, 1994. On February 11, 1994, Respondent Yarbrough became licensed as Principal Broker for Yarbrough and Yarbrough, Fort Smith, Arkansas, and was licensed as such until February 24, 2016 when Respondent Yarbrough's Broker license was suspended by the Commission with certain conditions. On June 15, 2016, Respondent Yarbrough's Broker license was revoked for not complying with the conditions set out in the ORDER of the Commission.

On February 8, 2016, Formal Hearing # 3423 was held at the Meeting Room of the Arkansas Real Estate Commission. Based on the FINDINGS OF FACT AND CONCLUSIONS OF LAW AND ORDER affirmed by the Commissioners, the Commission suspended Respondent Yarbrough's Broker license until the Complainant in Formal Hearing # 3423 was paid the compensation due him from Respondent Yarbrough. Respondent Yarbrough was to provide all documents requested by the Commission which he had failed to provide to the Real Estate Commission. Respondent Yarbrough was to provide a full reconciliation of all Trust Accounts to the Arkansas Real Estate Commission's Executive Director. Respondent Yarbrough was ordered to pay a \$500 fine and attend the first available property management education and training course offered by the Commission. Respondent Yarbrough was given ninety (90) days from the date he received the ORDER to Comply or the Commission would revoke Respondent's Broker License.

On March 3, 2016, Respondent Yarbrough received notification of the FINDINGS OF FACT AND CONCLUSIONS OF LAW AND ORDER as evidenced by his signature on the certified mail receipt returned to the Commission by the United States Post Office.

On June 15, 2016, the Executive Director mailed a certified letter to Respondent Yarbrough which stated, "...As of the date of this letter, you have not furnished any information substantiating your compliance with those conditions related to the trust account reconciliation and records requested by the Commission. The time you were allowed to comply with the ORDER has expired. Pursuant to the ORDER of the Commission, your Arkansas real estate license is now revoked." Respondent Yarbrough signed for the certified letter on June 21, 2016.

On June 7, 2017, Real Estate Commission staff determined that Respondent Yarbrough was advertising on his Facebook page as a Real Estate Broker/Property Manager for Yarbrough and Yarbrough Realtors.

(continued on page 3)



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 2018 through May 2018. Formal Hearing Decisions that have been appealed are not listed.

(continued from page 2)

On June 8, 2017, it was determined that Respondent Yarbrough's internet advertising indicated he was the Principal Broker at Yarbrough and Yarbrough Realtors on his Facebook and LinkedIn accounts.

On June 21, 2017, Commission staff obtained photographs of yard signs then located on Jenny Lind Road, Fort Smith, Arkansas, which depicted yard signs for "Yarbrough & Yarbrough" with Respondent's telephone number.

On June 22, 2017, a certified letter was mailed to Respondent Yarbrough informing him of the Commission's knowledge that he was performing unlicensed real estate activities as defined in Arkansas Code Annotated §17-42-103(13). Respondent Yarbrough was asked to respond by July 7, 2017. Respondent Yarbrough signed for the certified letter. No response was received from Respondent Yarbrough.

Respondent(s): Lori D. Pendleton, Inactive Salesperson, Little Rock, Arkansas, Formal Hearing# 3502

Violation(s): Arkansas Code Annotated § 17-42-307(b), § 17-42-308(a)(2), § 17-42-311(a)(2) and Commission Regulation 6.2(c)

Sanction(s): The Commission assesses a \$100.00 fine, and a \$1,000.00 fine, for a total fine of \$1,100.00. The Commission also orders 18 hours of post-license education, and it must be completed before the license is issued and it must be done by the end of 2017.

Respondent Pendleton received her Arkansas real estate salesperson license on November 8, 2003. From November 8, 2003 to February 23, 2006 Respondent Pendleton's salesperson license was active with Crye-Leike Realtors in Little Rock, Arkansas. From February 23, 2006 to May 15, 2007, Respondent Pendleton's license was inactive. From May 15, 2007 to December 31, 2008, Respondent Pendleton's license was active with ERA Armstrong Team Realtors in Little Rock, Arkansas. Respondent Pendleton's salesperson license expired December 31, 2008. On December 29, 2011, Respondent Pendleton renewed her salesperson license to an inactive status. Respondent Pendleton's license was on inactive status until January 10, 2014. From January 10, 2014 to November 21, 2014, Respondent Pendleton's license was active with Keller Williams Realty in Little Rock, Arkansas. From November 21, 2014 to December 31, 2016, Respondent Pendleton's salesperson license was active with Keller Williams Realty in Little Rock, Arkansas.

Respondent Pendleton did not report the required continuing education prior to December 31, 2016, therefore, Pendleton's salesperson license was placed on inactive status on January 1, 2017.

On or about February 17, 2017, AREC Executive Director issued a citation to Salesperson Pendleton for a violation of Arkansas Code Annotated § 17-42-307(b) and § 17-42-311(a)(2), imposing a penalty of \$100.00. On May 24, 2017, Respondent Pendleton filed a written complaint with the Commission's Executive Director to contest the citation.

In a telephone message left in the Executive Director's voice mail on May 26, 2017, Respondent Pendleton stated she had \$3,000,000 in real estate business pending.

On or about May 31, 2017, Respondent Pendleton was advertised as a Realtor on social media.

Mid-Year Wake-Up Call!

By: Kortney Hinton and Andrea Alford

You've probably heard by now that there are a few changes with post-license and continuing education requirements, but do you know what they are? Since post-license and continuing education are two different types of education, we'll break them down by category:

Post-License: What Changed?

Any salesperson or broker initially licensed in that capacity on or after January 1, 2018, will have until the end of the sixth (6th) month following their date of licensure to complete post-license education. The previous deadline allowed 12 months for completion of post-license. You can read more about this change at www.arec.arkansas.gov/news.

Continuing Education: 3-Hour Required Contracts Course For All Licensees in 2018. In December of 2017 AREC notified Principal Brokers that all active licensees would be required to complete in 2018 a 3-hour required course on contracts as part of their 7-hour CE requirement.

Each licensee must complete the contracts course specific to their license type (salesperson or broker). The 2018 Real Estate Forms and Contracts for Brokers course is for brokers only. Salespersons may not attend this course, either for credit or not for credit, per the Commission's mandate in accordance with Regulation 16.8(h). All active licensees must also complete the mandatory 1 hour safety CE. For more info, visit www.arec.arkansas.gov/education.

So what's my CE requirement again?

Salespersons: 7 hours = 3 hr Forms & Contracts for Salespersons + 1 hour of safety + 3 hr elective CE
Associate Brokers: 7 hours = 3 hr Forms & Contracts for Brokers + 1 hr Safety + 3 hr elective CE
Executive Brokers: 7 hours = 3 hr Forms & Contracts for Brokers + 1 hr Safety + 3 hr elective CE
Principal Brokers: 7 hours = 3 hr Forms & Contracts for Brokers + 1 hr Safety + 3 hr elective CE

Don't let your education deadlines sneak up on you - take care of them early to keep your license compliant with the AREC!

RENEW ONLINE

www.arec.arkansas.gov

**Renew your real estate license online
by October 1, 2018 to avoid penalty.**

**To be an active agent for 2019, required CE must be
submitted before December 31, 2018.**

Please note this as a 7-hour CE requirement reminder that each licensee must complete the
contracts course specific to their license type (salesperson or broker):

Salesperson: 3 hr Forms & Contracts for Salespersons + 1 hr of safety + 3 hr elective CE

Associate Broker: 3 hr Forms & Contracts for Brokers + 1 hr Safety + 3 hr elective CE

Executive Broker: 3 hr Forms & Contracts for Brokers + 1 hr Safety + 3 hr elective CE

Principal Broker: 3 hr Forms & Contracts for Brokers + 1 hr Safety + 3 hr elective CE

RENEW ONLINE TODAY.

www.arec.arkansas.gov

This will be the only notice sent.

**2019 Renewal Fees By
10/01/2018**

Broker: \$80.00
Salesperson: \$60.00

Notice sent 7-15-2018. **Online renewal receipts will be available for printing at the time of renewal.**
To renew by paper, please send a written request to AREC by August 11, 2018.

All payment information will be handled securely and will not be stored on our systems.
Secured by DigiCert SSL.

**2019 Renewal Fees
After 10/01/2018**

Broker: \$110.00
Salesperson: \$80.00

Online payment methods



****NOTE: Please send payment in with 2019 Renewal form and CE certificate(s) if renewing by mail.****