

SOUTH DAKOTA REAL ESTATE COMMISSION
MARCH 15 & 16, 2011
HOLIDAY INN EXPRESS
110 EAST STANLEY
FORT PIERRE, SOUTH DAKOTA

The South Dakota Real Estate Commission convened at 1:00 p.m. on March 15, 2011, in the Missouri Room of the Holiday Inn Express, Fort Pierre, SD. Present for the meeting were Chairperson Paula Lewis and commission members Dennis Eismach, Eileen Fischer and Charles Larkin. Also present were legal counsel Lindsey Riter-Rapp, executive director Dee Jones Noordermeer, licensing program administrator Norma Schilling and compliance officer Brian Jackson.

Motion made and seconded to approve the minutes of the February 2 & 3, 2011, meeting. Motion carried.

Motion made and seconded to accept the financial reports for January and February 2011 as presented. Motion carried.

Joshua Uhre appeared before the commission at 1:25 p.m. with a request to waive the requirement that his education be completed within two years of the date of his licensing application. Mr. Uhre left the meeting at 1:37 p.m. Following discussion, motion made and seconded to allow Mr. Uhre to test and apply for the broker associate license within 60 days. Motion carried.

Motion made and seconded to enter into executive session at 2:00 p.m. for an application appeal. Motion carried.

Motion made and seconded to come out of executive session at 2:17 p.m. Motion carried.

Motion made and seconded to approve the broker associate application of Randy Kittler. Motion carried.

Motion made and seconded to enter into executive session at 2:20 p.m. for an application appeal. Motion carried.

Motion made and seconded to come out of executive session at 3:00 p.m. Motion carried.

Motion made and seconded to hold final decision in abeyance pending further inquiry on the application appeal of Gary Ivers. Motion carried.

Following discussion on rules for home inspectors, the executive director was instructed to contact Doug Decker of Legislative Research Council to see if the Commission has rule making authority for grounds for denial of an application.

Motion made and seconded to enter into executive session at 3:23 p.m. to review complaints. Motion carried.

Motion made and seconded to come out of executive session at 4:45 p.m. Motion carried.

March minutes, page 2

Motion made and seconded to table complaint #2011-010 for further investigation. Motion carried.

Motion made and seconded to issue a consent order to Dennis Breske, responsible broker of NAI Sioux Falls Commercial, to include a penalty of \$2,000 to be paid within 10 days of the consent order and that he take the 15 hour responsible broker course within six months of the consent order. If Mr. Breske fails to comply with the consent order, the Commission will move to a formal hearing. Motion carried.

Motion made and seconded to file a formal complaint against Terri Hollenbeck and move to a formal hearing. Motion carried.

Motion made and seconded to file a formal complaint against Keith Carlyle and Paul Riss and move to a formal hearing. Motion carried.

Legal counsel gave an update on cases that are on appeal.

The meeting recessed at 5:10 p.m. and reconvened at 8:35 a.m. on March 16, 2011.

The executive director informed the Commission of the Annual REEA Conference to be held in Las Vegas, NV, June 12-15, 2011. Following discussion, motion made and seconded to submit a request for the attendance of two staff members to the Annual REEA Conference. Motion carried.

Discussion was held on home warranties on the purchase agreement. Following review of the information the executive director received from HUD, the wording in the purchase agreement is not a violation of Real Estate Settlement Procedures Act.

Robert Riter of Riter, Rogers, Wattier & Northrup, LLP joined the meeting at 9:00 a.m.

Legal counsel reviewed and discussed procedures for conducting formal hearings. Further research will be conducted for procedures and revisited at a future meeting.

Robert Riter left the meeting at 10:35 a.m.

The Commission reviewed and discussed the proposed short sale forms. Motion made and seconded to approve the short sale forms as a suggested form. Motion carried.

Discussion was held on a statement regarding commission on the listing agreement. Following discussion, the Commission agreed to leave the statement on the form.

Discussion was held on social media advertising. Following discussion, the Commission agreed that the Internet guidelines for advertising applies to all social media advertising.

Discussion was held on the holding of earnest money in a listing broker's trust account. The executive director will conduct a listserv to see what other states require on the holding of earnest money and report back to the Commission at the next meeting.

The next meeting of the Commission will be held May 4 & 5, 2011, in Pierre.

March minutes, page 3

There being no further business, motion made and seconded to adjourn at 11:30 a.m. Motion carried.

Paula Lewis, Chairperson

Dee Jones Noordermeer, Executive Director

I, Dee Jones Noordermeer, hereby certify that the above is a true and correct copy of the minutes of the South Dakota Real Estate Commission meeting held on March 15 & 16, 2011.

Dee Jones Noordermeer, Executive Director