

South Dakota Real Estate Commission  
Department of Revenue Building  
300 S Sycamore Ave, Ste 102  
Sioux Falls South Dakota  
November 8, 2016

The South Dakota Real Estate Commission convened at 8:30 a.m. on November 8, 2016. Present for the meeting were Chair Ryan Wordeman and commission members David Bonde, Mark Wahlstrom, Matt Krogman, and Ken Cotton. Also present were Executive Director Melissa Miller, compliance officer Brian Jackson, and Michelle Klevan, Executive Director, SD Association of Realtors. South Dakota Department of Labor and Regulation staff attorney Graham Oey was present telephonically.

Motion by Cotton to accept agenda as presented and second by Wahlstrom. Motion carried.

Motion by Bonde and second by Cotton to approve minutes for September and October 2016. Motion carried.

Summary of the financials for September and October 2016 was presented by Director Miller. Move to approve financial reports by Wahlstrom, second by Krogman. Motion carried.

Michelle Klevan gave a summary and discussion was held regarding SD Association of Realtors proposed team legislation.

Michelle Klevan left the meeting at 8:50 a.m.

Motion to approve consent agreement for file 2017-004 by Wahlstrom. Second by Cotton. Motion carried.

Motion to approve consent agreement for file 2017-006 by Krogman. Second by Cotton. Motion carried.

Motion to approve assurance of voluntary compliance for file 2016-096 by Krogman. Second by Wahlstrom. Motion carried.

Applications were reviewed. Motion to table application one to allow applicant to provide additional information by Wahlstrom. Second by Bonde. Motion carried.

Motion to approve application two by Krogman. Second by Cotton. Motion carried

Discussion was held on complaint 2017-001. Motion to dismiss by Krogman. Second by Bonde. Motion carried.

Discussion was held on complaint 2017-005. Motion to dismiss by Bonde. Second by Cotton. Motion carried.

Future meeting dates were discussed with the next meeting scheduled to be held on January 10-11, 2017 in Pierre.

John Egan, Responsible Broker for Preferred Real Estate entered the meeting at 9:30 a.m.

There was no other business to discuss. The commission recessed at 9:41 a.m.

Chair Wordeman reconvened the meeting at 10:28 a.m. Department of Labor staff attorney Graham Oey joined the meeting telephonically at 10:28 a.m.

Also joining the meeting at 10:28 a.m. were Lyndsey Riter-Rapp, attorney for the SD Real Estate Commission, court reporter Suzanne Brudigan, Freddie Contreras and his attorney Marie Rutgers, Bret Songstad, Broker/Owner of Reward Real Estate.

Commission attorney Riter-Rapp proceeded with the formal proceedings for complaint 2016-002 at 10:30 a.m.

John Egan, Broker/Owner of Preferred Real Estate entered the meeting at 10:34 a.m.

Bret Songstad left the meeting at 10:43 a.m.

Chair Wordeman closed the formal proceedings for complaint 2016-002 at 10:47 a.m.

Motion by Wahlstrom, second by Krogman, to enter into executive session to discuss complaint 2016-002. Motion carried and the commission entered into executive session at 10:48 a.m. The following left the meeting at 10:48 a.m.: Contreras, Egan, commission compliance officer Jackson, Riter-Rapp, Rutgers, and court reporter Brudigan.

The commission came out of executive session at 11:15 a.m. The following re-entered the meeting: compliance officer Jackson and attorney Riter-Rapp.

Discussion was held regarding complaint 2016-002 with a motion by Wahlstrom with the following decision:

- \$1,000 monetary fine to be received at the commission office by 3/31/17
- Reimbursement of fees to the SDREC, to be received at the commission office by 3/31/17, for allowable expenses
- Continuing Education in the following areas:
  - Contracts – 6 hours
  - License Law – 6 hours
  - Agency – 3 hoursThis education must be completed by 12-31-17. The education hours do not count toward license renewal continuing education hours and all hours must be taken in a classroom setting.
- License to be suspended for a period of 12 months with 12 months held in abeyance as long as no additional complaints are filed against Contreras
- Failure to comply with any of the above terms shall result in an immediate suspension of Contreras's real estate license.

Second of the motion by Bonde. Motion carried. Riter-Rapp will inform the complainant's attorney telephonically and will provide a written decision to the party.

Riter-Rapp left the meeting at 11:20 a.m.

Motion to adjourn by Wahlstrom . Second by Cotton. Meeting adjourned at 11:21 a.m.

Minutes submitted by Brian Jackson