

VIRGINIA REAL ESTATE BOARD
ADVISORY COUNCIL MEETING
MINUTES

October 29, 2007

The Virginia Real Estate Board Advisory Council held its annual meeting on Monday, October 29, 2007, at the Department of Professional and Occupational Regulation, Richmond, Virginia. The following Advisory Council Members were present:

Joseph Funkhouser, II, Chairman
S. Ronald Owens, Vice Chairman
R. Schaefer Oglesby
Brenda Puckett
Cindy Stackhouse
Ned Massie
Earl Jackson
Sandra Wilkinson
Gerald Divaris

DPOR Staff Members present for all or part of the meeting included:

Jay DeBoer, Director
Karen O'Neal, Deputy Director
Christine Martine, Executive Director
Kevin Hoeft, Education Administrator

- I. Call to Order - 10:17 a.m.
- II. Approval of Agenda
Motion by Mr. Oglesby, seconded by Mr. Jackson, approved unanimously.
- III. Introduction of Advisory Council Members and Guests
Guests included Lili Paulk of the Virginia Association of Realtors, Deana Wilson of Alpha College of Real Estate, Theresa Kirkhart of Prince William Association of Realtors, Billy Reid of Moseley-Flint Schools of Real Estate, and Constance Maffin, Tony Duncanson, Leon Lewis and Staci Mason of the Washington, D.C. Board of Real Estate.

- IV. Education Administrator Report (See Attachment #1)
- A. Statutory Purpose of Advisory Council Meeting
 - B. Overview of Post License Education Program
 - C. Upcoming Program Changes
- V. Public Comment
- Deana Wilson of Alpha College of Real Estate made three comments: First, she expressed concern that there may be significant administrative difficulties associated with the requirement that all New Salespersons licensed after July 1, 2008, have only one year, instead of two years, to complete the 30-hour Post License Education curriculum. Second, Alpha College is unable to schedule classroom courses for the Commercial Real Estate and Property Management Track students because there are so few New Salesperson licensees who select those tracks. Third, it appears that some New Salesperson licensees who primarily practice commercial real estate are selecting the Residential Real Estate Practice Track instead of the Commercial Real Estate Practice Track because the Residential Real Estate Practice Track is easier to complete as those courses are offered much more often than are the Commercial Real Estate Practice Track courses.
- VI. Discussion Concerning the Post License Education Program's Three Practice Tracks
- After much discussion concerning whether the Post License Education Program's Three Practice Tracks for New Real Estate Salespersons licensees has succeeded in meeting its initial goal of providing the best education for new licensees, Mr. Oglesby made a motion, seconded by Mr. Massie, that the Three Practice Tracks be removed from § 54.1-2105 of the *Code of Virginia* and that the Real Estate Board work expeditiously to amend this statute through legislation. The Advisory Council approved the motion unanimously.
- VII. Other Business
- The Advisory Council agreed that the Advisory Council Chairman and the Real Estate Board Chairman review the Advisory Council Membership and recommend any necessary membership changes to the Real Estate Board.
- VIII. Adjourn
- There being no further business or public comment, the meeting adjourned at 11:50 a.m.

ATTACHMENT #1

VIRGINIA REAL ESTATE BOARD ADVISORY COUNCIL MEETING OCTOBER 29, 2007 EDUCATION ADMINISTRATOR REPORT

IV. Education Administrator Report

- A. Statutory Purpose of Meeting - §54.1-2105.01.B (*Code of VA*)
1. The Industry Advisory Group shall meet at least annually to update the guidelines in each of the three educational practice tracks (Residential Real Estate; Commercial Real Estate; and Property Management)
- B. Overview of Post License Education Program (History & Current Status)
1. HB 2723 passed by the 2003 General Assembly established the 30-hour Post License Education Program as a condition for initial renewal for all New Real Estate Salespersons licensed after January 1, 2004. This law also required that the Real Estate Board create an Industry Advisory Group to establish educational guidelines for the three Practice Tracks for New Salesperson licensees and that each Practice Track include instruction that licensees need to know in their respective practice.
 2. The Real Estate Board established the Advisory Council in May 2003, and the Council met several times in the Summer and Fall of 2003 and issued its Final Report, which was approved by the Real Estate Board on October 23, 2003.
 3. The Real Estate Board Advisory Council Final Report specified the Mandatory and Elective Course Topics and Hours required to complete the 30-hour curriculum for each Practice Track.
 4. The Post License Education Program for New Real Estate Salesperson licensees went into effect on January 1, 2004.
 5. The Advisory Council next met on October 27, 2004, reviewed the requirements in place at that time, and made the following recommended program changes: 1) Change the credit hours for the Elective courses to a minimum of two hours and a maximum of four hours for all three Practice Tracks; 2) Add an "Other Real Estate Related Course" Elective category to each Practice Track; and, 3) New Licensees must complete the Practice Track they select. If the New Licensee changes the selected Practice Tracks prior to completion, then all Mandatory hours completed in the initial Practice Track will be void.
 6. At its November 18, 2004, meeting, the Real Estate Board amended and approved Recommendation One by allowing Elective courses to

be a minimum of one hour and a maximum of four hours, and the Board Approved Recommendation Two as presented. The Board deferred action on Recommendation Three to its January 27, 2005, meeting where that recommendation was rejected and replaced with the requirement that a New Licensee may change Practice Tracks by submitting a written request to the Board, and then all the previously taken Mandatory courses will be credited as Elective courses.

7. The Advisory Council next met on December 5, 2005, and October 30, 2006, where it made no recommendations for changes to the Post License Education Program for New Licensees.
8. The number of New Real Estate Salesperson Licenses issued annually since the Post License Education Program was established: 1) 2004 – 9438; 2) 2005 – 11,410; 3) 2006 – 8304; and 4) 2007 – 5455.
9. The number of New Real Estate Salespersons licensed in 2004 who selected the following Practice Tracks: 1) Residential – 7212; 2) Commercial – 166; and, 3) Property Management – 15. Those licensed in 2005 selected: 1) Residential – 8661; 2) Commercial – 190; and, 3) Property Management – 13. Those licensed in 2006 selected: 1) Residential - 4563; 2) Commercial – 43; and 3) Property Management – 2. Those licensed in 2007 selected: 1) Residential – 1966; 2) Commercial – 8; and 3) Property Management – 0.
10. The number of New Real Estate Salespersons licensed in 2004 that have renewed their licenses – 6277. Those initially licensed in 2005 that have renewed their licenses – 7547.
11. The number of Board-approved: 1) Residential Real Estate Mandatory Post License Courses – 783; 2) Residential Real Estate Elective Post License Courses – 1736; 3) Commercial Real Estate Mandatory Post License Education Courses – 56; 4) Commercial Real Estate Elective Post License Courses – 328; 5) Property Management Mandatory Post License Courses – 57; and 6) Property Management Elective Post License Courses – 164.
12. Number of Licensed Salespersons on September 30, 2007 – 55,973
Number of Licensed Salespersons on September 30, 2006 – 57,517
Reduction of 2.7% in Number of Licensed Salespersons in past year.

C. Upcoming Program Changes

1. §54.1-2105.01.A (*Code of VA*)

Effective July 1, 2008, all New Salesperson licensees must complete the 30-hour Post License Education curriculum within one year of licensure. Failure to do will cause the Salesperson's license to be placed on Inactive status until the curriculum is completed.