

## New Commission Member Sharon Bourne Sworn in

Sharon "Sheri" Kay Bourne was sworn in at the September, 2016, meeting of the Nebraska Real Estate Commission as the third district broker member.

Ms. Bourne is the designated broker for Gateway Realty of North Platte, Inc., and has been licensed as a broker since 1978. In addition Bourne has been active with the Nebraska Realtor's Association and Served on the Board of Directors of the North Platte Chamber of Commerce.

Governor Pete Ricketts announced the appointment in August, Bourne will serve a six year term and replaces Al Avery of Grand Island.

## New Seller Property Condition Disclosure Statement Effective January 1, 2017

The Nebraska Real Estate Commission has adopted amendments to N.A.C Title 302, Chapter 1, the Seller Property Condition Disclosure Statement ("SPCD"). Changes are minimal; pursuant to LB34 (2015), a question has been added about carbon monoxide alarms, an additional question has also been added about noxious weeds. The form can be found here: http:// www.nrec.ne.gov/pdf/forms/SPCD 117.pdf.

Although the form is not much different, it is important that the new form be provided for all transactions entered into on or after January 1, 2017. LB34 specifically provides that the requirement is effective for all existing property "offered for sale"

on or after January 1, 2017. A property under contract is no longer offered for sale, so pending contracts entered into prior to 2017 would not be subject to the new law or require the new form.

It should be noted that the SPCD is not required for new construction, but residential new construction "constructed on or after January 1, 2017," as well as residential property offered for sale on or after January 1, 2017, are required to have the alarms (assuming it has fuel fired heater, appliances, a fireplace or attached garage). The full text of the new law can be found here: http://www.nebraskalegislature.gov /FloorDocs/Current/PDF/Final/LB 34.pdf.



"Chairperson Gale Swears in New Commissioner Sheri Bourne"

# On the Inside

## Commission Meeting Schedule

January 19-20	Lincoln
February 16-17	Lincoln
March 16-17	Lincoln
April 20	Lincoln
May 25-26	Lincoln
June 22-23	Lincoln

### NEBRASKA REAL ESTATE COMMISSION

## **COMMISSION COMMENT**

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### **COMMISSION MEMBERS**

CHAIRPERSON John Gale Secretary of State State Capitol Lincoln, NE 68509 (402) 471-2554

#### PUBLIC MEMBER

Jim R. Titus 4645 Normal Blvd., 3272 Lincoln, NE 68506 (402) 434-52000

SALESPERSON MEMBER Ann Dover 1000 Norfolk Ave. Norfolk, NE 68701 (402) 371-0200

### **BROKER MEMBERS**

Drew Stange 1248 "O" St. Lincoln, NE 68508 (402) 441-5800

Herb Freeman 17809 Pacific St. Omaha, NE 68240 (402) 397-4900

Andy Alloway 2611 S. 117th St. Omaha, NE 68144 (402) 491-0100

Sharon "Sheri" Kay Bourne 111 Halligan Dr. North Platte, NE 69101 (308) 532-1810

### DIRECTOR

Greg Lemon 301 Centennial Mall South Lincoln, NE 68508 (402) 471-2004 greg.lemon@nebraska.gov

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## HOLIDAY MESSAGE FROM COMMISSION CHAIR JOHN GALE

On behalf of the Real Estate Commission and the Commission staff, we want to wish all of you a very Merry Christmas, Happy Hanukah, and a Happy New Year!

2016 has been a positive year for agents and home builders in Nebraska. Home sales in many communities have been on a record pace through the summer and didn't slow down much in the fall. Market valuations have improved, interest rates have remained attractive, and public confidence in home buying has been strong.

As Chair of the Commission, I remain committed to key long-term goals for the Nebraska Real Estate Commission, including: 1) Sound and sensible personal



Commission Chair John Gale

and educational standards for applicants seeking to be licensed; 2) Treating licensees subject to complaint with high standards of fairness and justice; 3) Promoting and supporting legislation that advances high professional standards; and 4) Maintaining high public trust and confidence in the professionalism of the industry.

The Commission has accomplished many of its 2016-17 Objectives. The new real estate licensee database project was awarded and the conversion is in progress. Most complaints continue to be processed within one year. A 2015 Joint Task Force combining representative Commissioners with representatives of Nebraska REALTORS developed a "teams" bill, LB 678, which was adopted by the 2016 legislature. The Commission has been developing Rules and Regulations pursuant to that law; a public hearing will be held in 2017 on those rules and regulations with eventual adoption expected in 2017.

Property Management Continuing Education; Seller Property Conditions Disclosure Statement; and Commission Certification of Correspondence Pre-License Education are regulatory changes that have all been approved with implementation expected in a timely manner.

Director Greg Lemon, Deputy for Education Alane Roubal, Deputy for Enforcement Duran Cell, and Deputy for Licensing Monica Rut have been providing excellent support for the Commission during this busy year. The quality of our staff and the level of experience and distinction of our Commissioners contribute to a positive working relationship and solid progress.

That trend of excellence this year continued when Governor Ricketts appointed Sheri Bourne of North Platte as the new third congressional district broker on the Commission, replacing Al Avery of Wood Bros. of Grand Island whose term expired. Sheri is a broker for Gateway Realty of North Platte. Many thanks to Al, and a warm welcome to Sheri!

On behalf of the Commissioners and the Commission staff, I send our best wishes to you and your families for a happy holiday season and a very successful 2017. We have appreciated the cooperation and input of the Nebraska REALTORS on various goals and policy issues this year, and we know that cooperation will continue in 2017 as new policy issues evolve.

Sincerely, John A. Gale Chair, Nebraska Real Estate Commission

# **DIRECTOR'S DESK**

## New Seller Disclosure Statement

"In with the old; out with the new" There is a more detailed article starting on page one of the newsletter, but I wanted to remind licensees that the new Seller Property Disclosure Statement is to be used on all property requiring such a statement offered for sale on or after January 1, 2017. The new statement does not look much different than the old, and only has a couple of new questions, but the carbon monoxide alarm information is safety related and mandated by law. It might not be a bad idea to throw away the



Director Greg Lemon

old forms just to make sure you don't grab one by mistake.

### Two Year License Renewal/Annual Errors and Omission Insurance

Our two-year license renewal and online renewal service are no longer new by any means, having been in effect for a number of license cycles now. However, there are a couple of issues which continue to slow the process for both licensees and the Commission, and these relate to the continuing education and errors and omissions insurance that we require with each license renewal.

As licensees know, the Commission now relies on education providers to enter your continuing education, rather than the paper certificates that were once provided. While this is a more efficient process in many ways, there is a delay in getting that information into our system. Because we do once-a-day updates both to the education uploads, and then to the website updates, uploads from providers (who have ten days by law to enter the CE into our system) can be delayed anywhere from 24-48 hours before they are viewable on the licensee portal.

The Commission also requires, by law, verification that your errors and omissions insurance policy has been issued for the ensuing license year. Your receipt for payment is simply that, evidence that the insurance has been paid for. Separate verification that the policy has been issued by the E & O provider must be received before your license can renewed. While these verifications are submitted by the major providers on a daily basis, once again, depending on timing, there can be a delay between a licensee's application and payment for the policy and our verification of the policy being issued by the provider. Please note that errors and omissions insurance must be kept current at all times in order to maintain your license on active status, and must be renewed annually.

If verification of CE or E&O does not display on your portal screen, you may contact the Commission's office to see if said verification has been received so that you may proceed with renewing your license.

So our best advice to ensure that your renewal is accepted and processed before the November 30th and December 31st deadlines continues to be that licensees complete all requirements for renewal well in advance of those deadlines.

## **Happy Holidays**

To all reading this newsletter from everyone here at the Commission.

Greg Lemon, Director Nebraska Real Estate Commission

## MEET THE REAL ESTATE COMMISSION STAFF

The Real Estate Commission Staff is here to serve the public and the licensee population. It is our goal to be helpful and forthright in a courteous and professional manner. We hope that when you contact our office, you always receive useful, accurate information and/or are referred to the proper authority.

Following is a communication resource to assist you when contacting our office. If the indicated person is unavailable to take your call, please share the purpose for the call and your call will be routed to someone else who can help you.

We take pride in having a skilled staff, if you have comments or suggestions as to how we may better serve you, please contact our office.

## **COMMUNICATIONS GUIDE**

Ask for person indicated if you have questions in the following areas. Commission Meeting Information . . . Alane Roubal alane.roubal@nebraska.gov Complaint Procedures ..... Duran Cell duran.cell@nebraska.gov Continuing Education History or Inquiries ..... Tawny Snider tawny.snider@nebraska.gov Curriculum Design (Education & Instructor Approval)..... . Alane Roubal alane.roubal@nebraska.gov Errors and Omissions Insurance Inquiries ..... Monica Rut monica.rut@nebraska.gov Financial Officer ..... Jenny Schabert jenny.schabert@nebraska.gov License Applications Packet Requests ..... General Staff realestate.commission@nebraska.gov License Applications Process.... Marilyn Masters marilyn.masters@nebraska.gov Licensing Requirements ..... Monica Rut monica.rut@nebraska.gov New Licenses in Process ..... Patricia Menousek patricia.menousek@nebraska.gov Specialized Registrations ...... Monica Rut monica.rut@nebraska.gov Transfer of License. ..... Patricia Menousek patricia.menousek@nebraska.gov Trust Account Matters ..... John Clark john.clark@nebraska.gov ..... Monica Rut Webmaster.... monica.rut@nebraska.gov

> WEBSITE: www.nrec.ne.gov TELEPHONE NUMBER (402) 471-2004 FAX NUMBER (402) 471-4492 ADDRESS: Nebraska Real Estate Commission 301 Centennial Mall South P.O. Box 94667 Lincoln, NE 68509-4667

# **Disciplinary Actions Taken by the Real Estate Commission**

(Does Not Include Cases on Appeal)

2015-015 - Joan Phillips vs. Dennis James McGuire; Salesperson; Omaha, NE. Stipulation and Consent Order entered August 18, 2016. License suspended for one (1) year with the first thirty (30) days served on suspension and the remainder of the period stayed and served on probation. Suspension commenced August 23, 2016, and continues through September 22, 2016; Probation commences on September 23, 2016 and continues through August 23, 2017; plus pay a civil fine of \$500.00 due September 17, 2016; plus complete an additional three (3) hours of continuing education in either 0748R Professionalism Required: High Standards of Professional Conduct, or 0349R Risk Management for Real Estate Professionals, or 0497R Ethics & Professional Practice by February 17, 2017. [McGuire violated Neb. Rev. Stat. § 81-885.24(29) Demonstrating negligence, incompetency, or unworthiness to act as a broker, associate broker, or salesperson, whether of the same or of a different character as otherwise specified in this section; for using profane language directed at Seller, and for losing custody of the key to the Sellers property requiring Sellers to have the property rekeyed; violated Neb. Rev. Stat. § 81-885.24(16) Violating any provision of sections 76-2401 to 76-2430; violated Neb. Rev. Stat. § 76-2417(1) A licensee representing a seller or landlord as a seller's agent or a landlord's agent shall be a limited agent with the following duties and obligations: (a) To perform the terms of the written agreement made with the client; (b) To exercise reasonable skill and care for the client; (c) To promote the interests of the client with the utmost good faith, loyalty, and fidelity, by losing custody of the key to the property causing Sellers to have to rekey the property.]



# **Important Reminders, Deadlines for Educators**

The Commission has seen an increasing number of course completion submissions we cannot approve because application or renewal deadlines for education providers have not been met, below are some important reminders regarding education registration requirements. The next two months bring a number of deadlines for education providers.

- December is still a busy month for Continuing Education ("CE"), and we appreciate the fact that you submit all completions in a timely manner for licensees still trying to renew.
- Both CE and Broker Approved Training ("BAT") providers must submit by January 31st an Annual Verification Report listing the courses taught in 2016. Watch your e-mail for a reminder and directions. **Remember: if you miss the annual report deadline, you are no longer a provider.**
- Some of your courses may expire in 2017. CE providers will need to renew those courses, and BAT providers will need to resubmit those courses as new. Again, watch your e-mail for reminders.

Two very important reminders about Continuing Education that are true year round include:

- CE and BAT courses must be submitted and approved at least 30 days before they may be offered.
- BAT Notice of Training Scheduling Form (TRG-2) will not be required at the time of course submission but must be received in the Commission office no fewer than three days before the class is offered.

# **Property Management Course Required**

In response to concerns expressed by the industry about inadequate training being available and taken by licensees engaged in property management, the Commission has amended Title 299, Chapter 7, to provide that, for those licensees who engage in property management, or supervise those engaged in property management, a three hour continuing education class must be taken once every two year continuing education cycle.

Property management courses will be designated by the letters "PM" (or "RPM" if the course meets both the property management and the "R" course requirements). The requirement become operative starting in the next CE cycle, January 1, 2017, and those required to take the courses will have to complete such courses prior to the end of their renewal cycle on December 31, 2018.

For purposes of this requirement, property management shall mean and include "Acting under a written contract as a third party for a landlord or owner of property in the collection and or holding of rent, deposits, or other monies from tenants for the benefit of the property owner."

A current list of approved property management classes can be found here on the commissions website: http://www.nrec.ne.gov/licensingforms/ceinfo.html.



Nebraska Real Estate Commission PO Box 94667 Lincoln, NE 68509-4667

**Return Service Requested** 

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## **Nebraska State Real Estate Commission**



Seated (l to r): Ann Dover, Chairperson John Gale, Sheri Bourne, Standing: Jim Titus, Drew Stange, Andy Alloway, Herb Freeman