



Volume 2

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BOARD OF REALTY REGULATION NEWSLETTER

TO GO INACTIVE OR NOT TO GO INACTIVE?

By: Stacey Fossum, Education Director, BRR

Well, renewal time has finally come and gone, but that certainly doesn't mean our problems are behind us. It was a tough year both financially and professionally for many in the real estate field.

When faced with strained finances, many licensees choose to go inactive, hoping that they can then avoid renewal fees, which would be nice if it were actually true. Inactive licensees must still renew their licenses every year, and they are required to pay the same fees as active licensees (\$75.00 for Property Managers, \$87.50 for Salespeople, and \$100.00 for Brokers).

The major difference between inactive and active licensees is that inactive licensees are not required to fulfill the annual 12 hour continuing education requirement in order to renew their license. For example, if I were a young mother having a baby and wanted to take time off, I could put my license on inactive status for 3 or 4 years without having to worry about finding and completing continuing education during that time. Many people use the inactive status to "hold" their real estate license while working on degrees, traveling, or working at other jobs, which is much less expensive and troublesome in the long run.

A license that expires rather than being put on inactive status will terminate after two years. When a license terminates, the licensee must then take all the steps to become relicensed that a brand new licensee would have to (take a prelicensing course, pass the real estate exam, submit an application etc.).

In order to reactivate an inactive license, the licensee must submit a Change Form with the appropriate materials, which includes showing 24 hours of continuing education within the last 24 months. Some inactive licensees choose to take 12 hours of education every year, while others choose to take the 24 hours of education in a big lump right before reactivating.

If you have questions regarding this article, call 406-841-2324 or email sfossum@mt.gov.

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BRR MEMBERS, STAFF & UPDATES

BOARD OF REALTY REGULATION Members

The Governor with Senate confirmation appoints board members. Members serve 4 year terms with a 2-term limit.

CINDY WILLIS
BOARD CHAIR
INDUSTRY MEMBER
POLSON, MT
Term Expires: 5/9/2013

JUDITH PEASLEY
PUBLIC MEMBER
SEELEY LAKE, MT
Term Expires: 5/9/2010

**SHIRLEY
MCDERMOTT**
PUBLIC MEMBER
LAUREL, MT
Term Expires: 5/9/2011

LARRY MILLESS
INDUSTRY MEMBER
CORVALLIS, MT
Term Expires: 5/9/2011

**C.E. "ABE"
ABRAMSON**
INDUSTRY MEMBER
MISSOULA, MT
Term Expires: 5/9/2011

CONNIE WARDELL
INDUSTRY MEMBER
BILLINGS, MT
Term Expires: 5/9/2011

PAT GOODOVER
INDUSTRY MEMBER
GREAT FALLS, MT
Term Expires: 5/9/2012

REMINDER:

CHECK YOUR RENEWAL
STATUS ONLINE AT
www.realestate.mt.gov: License
Info: Lookup License Information

2010 BOARD MEETINGS

January 28
Screening Mtg.
1:00 PM
(Closed)

Education Mtg. 2:00
PM

January 29
Adjudication 8:30 AM
Open Mtg 9:00 AM

March 11
Screening Mtg 1:00
PM
(Closed)

Education Mtg. 2:00
PM

March 12
Adjudication 9:00 AM
Open Mtg 9:00 AM

The Honorable Brian Schweitzer, Governor BOARD ADDRESS & CONTACT INFORMATION

BOARD OF REALTY REGULATION
301 S. PARK, 4TH FLOOR/ PO BOX 200513
HELENA, MT 59620-0513
FAX: 406-841-2323
EMAIL: dlibsdrre@mt.gov
WEBSITE: www.realestate.mt.gov

**For real estate licensing questions and
information, contact:**

Barb McAlmond, Program Manager 406-841-2325
Becky Zaharko, Licensing Tech. 406-841-2354

For information regarding education, contact:
Stacey Fossum, Education Director 406-841-2324

For information regarding audits, contact:
Marilyn Willson, Auditor 406-841-2321

For information regarding complaints, contact:
Teri Ray, Compliance Specialist 406-841-2336

Grace Berger, Executive Officer 406-841-2320

FROM THE EDUCATION DIRECTOR

By: Stacey Fossum, Education Director, BRR

As many of you are aware, the Board revoked approval for a couple of major education providers during their December meeting.

Due to administrative issues, all of America's Best/360 Training's CE courses' approval was revoked. However, both the 60-hour salesperson prelicensing and 60-hour broker prelicensing courses retain their approval. If you have only used America's Best in the past and are looking for a new internet CE provider, please be assured that BRR has several more approved providers for you to choose from in the coming license year. A list of approved providers and their courses can be found on our website at

www.realestate.mt.gov: CE: Approved Continuing Education

All of Chris Higgins' (dba: Montana Real Estate Pro) CE and prelicensing course approvals have been revoked due to administrative issues.

If you took any of these classes prior to December 31, 2009, you may still use them for CE hours/license application. If you have signed up for classes with these providers, you should contact them for a refund of your fees and choose a different provider.

For other questions, please feel free to contact me either via email (sfossum@mt.gov) or by phone (406-841-2324).

A REMINDER FOR NEW PROPERTY MANAGEMENT LICENSEES

New Property Management Continuing Education Requirements

If you are a new property manager licensed from November 1, 2007 to now, you are required to complete 12 hours of new licensee mandatory continuing education by the second renewal date following your original license issue date. Six of those hours must consist of:

- (a) 2 hours of trust accounts;
- (b) 2 hours of leasing principles;
- (c) 2 hours of state law update.

Your license will expire on the second renewal date as set by ARM 24.101.413 following your original license issue date. Please send copies of your continuing education certificates prior to the renewal date of October 31 to ensure you can renew your license. Send copies of your CE certificates to Board of Realty Regulation PO Box 200513, Helena, MT 59620; by fax 406-841-2323; or by e-mail dlibsdrre@mt.gov.

ARELLO Fraud Update: Scammers Impersonating More Real Estate Regulators

Reprinted from ARELLO Boundaries Newsletter
December 2010

More ARELLO member jurisdictions have announced that scammers are impersonating state regulators in order to swindle real estate licensees, while fraudulent schemes carried out in the name of legitimate industry organizations and federal agencies still target struggling homeowners.

The Alabama Real Estate Commission (AREC) recently posted information on its website indicating that real estate licensees in the state are receiving calls from an individual or individuals who are impersonating AREC staff. The caller tells licensees that new fingerprints are required by AREC and that there will be a related processing charge, which the caller offers to process through a credit card transaction. AREC is reminding licensees that it does not require fingerprints or solicit credit card payments, checking account information or social security numbers over the telephone. Licensees are being warned not to provide personal information by telephone or email and to contact local law enforcement authorities if a suspicious call or email is received from someone claiming to be an AREC staff member. AREC is also reminding licensees that,

it does not require fingerprints or solicit credit card payments, checking account information or social security numbers over the telephone. Licensees are being warned not to provide personal information by telephone or email and to contact local law enforcement authorities if a suspicious call or email is received from someone claiming to be an AREC staff member. AREC is also reminding licensees that, if they are contacted by a purported AREC representative, the caller's identity can be verified by checking the agency's website and confirming the employee's identity.

In late September, the **Massachusetts Board of Registration of Real Estate Brokers and Salespersons** issued an alert warning that some of its licensees have been targets of a similar scam, with a different twist. Like the Alabama schemers, the caller seeks to obtain a Massachusetts licensee's credit card number and/or a social security number by stating that the Board has implemented a fingerprinting requirement mandated by state law. The caller then tells licensees that they have ignored a letter from the board regarding the matter and that their licenses are scheduled for suspension. The caller then offers to process a fingerprint application through a credit card transaction. According to the

Massachusetts Board, in at least one case the caller recited an incorrect social security number for the licensee, and then demanded that the licensee provide the correct one. There is no fingerprint requirement under Massachusetts law and the Board has emphasized that it would never call a real estate licensee to request a credit card or social security number.

The Texas Real Estate Commission issued fraud alerts involving similar conduct earlier this year. Some ARELLO members such as the **Idaho Real Estate Commission** are warning licensees of the scams, even though they may not yet have emerged in those jurisdictions.

Also, the **National Association of REALTORS® (NAR)** issued a warning last Spring indicating that its name was being used as a part of a scam in which rental properties were being offered to consumers who were led to believe that NAR was functioning as an intermediary to receive deposits from prospective tenants. The tenants were instructed to send money via Western Union to NAR's purported agent in the United Kingdom. NAR announced, of course, that it had nothing to do with the scheme and did not engage in such business practices.

Impersonation Schemes Reach Legitimate Homeowner Assistance Programs

Copycat scammers have also latched onto legitimate state, federal and real estate industry programs designed to provide counseling and loan modification assistance to homeowners facing foreclosure.

In November 2008, ARELLO Headquarters forwarded a fraud alert to its members through the exclusive ARELLO listserve, passing along a statement issued by the **The Homeownership Preservation Foundation**. The organization warned of fraudulent foreclosure prevention services and hotlines claiming to be affiliated with, or dishonestly

mimicking, legitimate services offered by the **Homeowner's HOPE Hotline**, 888-995-HOPE™.

Federal and state law enforcement agencies later announced that they were stepping up efforts to shut down an increasing number of phony foreclosure "rescue" scams that are being marketed over the Internet and in print, radio and other advertising media. The **U.S. Federal Trade Commission** has reported a surge of misleading advertisements by foreclosure relief services that use copycat names or look-alike web sites to give the impression that they are nonprofit or government entities. These

entities then charge up-front fees for their "services". Often, after collecting the fee, the companies do little or nothing to help consumers.

Many state and federal authorities, as well as legitimate voluntary homeowner assistance organizations, have been engaged in efforts to remind consumers that legitimate nonprofit and governmental foreclosure relief programs do not charge such fees.

Reprinted from ARELLO Boundaries Newsletter

BOARD OF REALTY REGULATION UPCOMING EVENTS CALENDAR

JANUARY

- 28TH : BRR Committee/Panel Meetings**
- 1:00 PM Screening Panel (Closed)
 - 2:00 PM Education Committee
- 29TH: BRR Board Meeting**
- 8:30 Adjudication
 - 9:00 Open Meeting

FEBRUARY

HAPPY
VALENTINE'S
DAY
FEBRUARY 14TH!

MARCH

- 11th : BRR Committee/Panel Meetings**
- 1:00 PM Screening Panel (Closed)
 - 2:00 PM Education Committee
- 12th: BRR Board Meeting**
- 8:30 Adjudication
 - 9:00 Open Meeting