



NORTH CAROLINA REAL ESTATE COMMISSION

Real Estate Bulletin

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1988

Number 3

EMPLOYMENT OPPORTUNITIES

Applications for employment are now being accepted by the Real Estate Commission for the positions of **Examination and Licensing Coordinator** and **Information Officer**. Persons interested in employment with the Real Estate Commission are referred to the job description summaries on page 4.

DISCLOSURE OF RADON GAS

Recent newspapers and real estate and building trade journals have been filled with articles warning of the dangers of radon gas. Radon gas is a colorless, odorless, radioactive gas which occurs naturally from the breakdown of uranium found in varying amounts in virtually all soils. When allowed to dissipate in the open air, radon gas appears to pose little or no health risk.

Recent studies show that radon gas often becomes trapped and accumulates in homes and other buildings. Health officials now believe that high level accumulations of radon may pose significant health risks to the people living and working in affected structures.

What is the duty of licensed real estate brokers and salesmen concerning radon gas? Under Section 93A-6(a)(1) of the Real Estate License Law, a licensee has a duty to disclose to prospective buyers and tenants all material facts concerning the real estate which the licensee knows or about which he should know. The presence of hazardous levels of radon gas in a house or building would certainly be material to the average buyer or tenant. If a real estate agent knows that a dangerous level of radon is present in a house he or she has for sale or rent, his duty is clear: He must disclose it to all prospective buyers or tenants. But how is a real estate broker or salesman supposed to know if dangerous radon gas is present in a house?

Since it can't be detected by ordinary methods of observation, radon gas is a hidden or latent

defect. Unless the agent is informed of the presence of the gas by the property owner or a qualified inspector, then he cannot discover the gas by himself. As with other types of latent defects, brokers and salesmen have no duty to have the properties that they sell or rent tested for radon gas unless they have some reason to suspect that the gas may be present in hazardous levels.

Evidence which would give the ordinary real estate agent reason to suspect the presence of radon would include publicized reports that the instance of hazardous levels of the gas in other houses and buildings in the area is unusually high. Under such circumstances, a prudent agent would have the properties he sells or rents tested for the presence of radon or recommend to prospective buyers or tenants that they have the property inspected. Such tests can be performed at relatively little cost. The agent would disclose the results of the test to his client (the seller or landlord of the property) and to every prospective buyer or tenant.

The agent may also wish to suggest to the parties that their contract or lease be conditioned upon a satisfactory radon test. Brokers and salesmen are cautioned, however, that such a condition in the contract or lease will not relieve them of their duty under the License Law to inquire into the presence of radon gas when there is reason to do so and to disclose their findings to the parties. □

COMMISSION MEMBERS ELECTED TO NATIONAL REAL ESTATE OFFICES

Two members of the North Carolina Real Estate Commission were recently elected to offices in the National Association of Real Estate License Law Officials (NARELLO) at the Association's annual conference in Atlanta, Georgia. NARELLO is a federation of real estate regulatory officials from the United States and Canada.



Commission member **Patricia B. Casey**, CPA, CMA, CIA, was elected Treasurer of NARELLO for a one-year term. One of the Commission's two public members, Ms. Casey was first appointed to the Commission by Governor Martin in 1985 and was recently reappointed to serve another three-year term. Ms. Casey is employed by the Board of Certified Public Accountants Examiners as its Director of Professional Standards.



Commission member **Grace T. Steed** was elected as a Director of NARELLO representing the seven states and the District of Columbia which comprise the Association's North Central District. Mrs. Steed was appointed by Governor Martin to the Commission in 1987 and currently serves as Chairman of the Commission's Education Committee. A licensed real estate salesman, Mrs. Steed is associated in business with Britt Realty in High Point.



Elmer C. Jenkins, Vice-Chairman of the Real Estate Commission, was reelected as a Director of the National Association of REALTORS at the Association's annual convention in San Francisco, California. Mr. Jenkins was appointed to the Real Estate Commission in 1987, and was reappointed by Governor Martin to a second three-year term in August. A past-president of both the North Carolina Association of REALTORS and the Avery/Watauga Board of REALTORS, he and his wife, Norma, own and operate Jenkins, REALTORS in Blowing Rock. □

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REAL ESTATE BULLETIN

Published quarterly as a service to real estate licensees to promote a better understanding of the Real Estate License Law, Rules and Regulations, and proficiency in ethical real estate practice. The articles published herein shall not be reprinted or reproduced in any other publication without specific reference being made to their original publication in the **North Carolina Real Estate Commission Real Estate Bulletin**.

NORTH CAROLINA REAL ESTATE COMMISSION

1313 Navaho Drive
P.O. Box 17100
Raleigh, North Carolina 27619
Phone 919/733-9580
James G. Martin, Governor

COMMISSION MEMBERS

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Chairman
Elmer C. Jenkins Blowing Rock
Vice-Chairman
Gilbert L. Boger Mocksville
Patricia B. Casey Raleigh
Chandler B. Lee Pinehurst
June P. Mooring Goldsboro
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Mary Frances Whitley Dir.
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Asst. Attorney General
Blackwell M. Brogden, Jr. Dep. Lgl.
Counsel
Miriam J. Baer Asst. Lgl. Counsel
Margaret A. Lamar Cons. Info. Analyst
Evelyn Johnston Education Coord.

Editor
Phillip T. Fisher

EXAM RESULTS

	Passed	Failed
AUGUST 1988		
Brokers	115	111
Salesmen	334	312
SEPTEMBER 1988		
Brokers	118	80
Salesmen	395	289
OCTOBER 1988		
Brokers	92	88
Salesmen	326	266

BULLETIN BOARD



Miriam J. Baer, the Real Estate Commission's Examination Coordinator, has assumed a new position as the Commission's Assistant Legal Counsel, succeeding **Robin Hammond Clark** who entered private practice with a Raleigh law firm.

Miriam graduated summa cum laude from the University of Kansas in 1981 and received a law degree from the UNC School of Law in 1984. After three years in practice with a Raleigh law firm, Miriam joined the Commission as its first Examination Coordinator. In her new position in the Commission's Legal Department, she will be responsible for screening consumer complaints against real estate agents as well as assisting in the settlement and prosecution of cases before the Real Estate Commission.

....In addition to Robin Clark, the Commission is losing the services of Time Share Specialist **Diane Westbrook** who is joining a Raleigh real estate firm. The Commission regrets the loss of both Robin and Diane, but wishes them the best of success in their new careers....At its September meeting, the Commission recognized Chief Legal Secretary **Nancy Ross** and Assistant License Specialist **Mildred Combs** on having completed ten years' service with the Commission....Director of Education and Licensing, **Larry A. Outlaw**, addressed the Annual Conference of the National Association of Real Estate License Law Officials (NARELLO) on the subject of "Standards for Recognizing Out-of-State Education and Examinations." Larry also joined with Bob Novak (Durham) in moderating a "Rap Session" on "Guidelines for Completing NCAR's Offer to Purchase and Contract Form" at the North Carolina Association of REALTORS Annual Convention in

Asheville. At the NARELLO Conference, Larry was reappointed Chairman of the Association's Education and Standards Committee, and Commission Executive Director, **Phillip T. Fisher**, was named Chairman of NARELLO's Special Studies Committee....Former Assistant Legal Counsel **Robin Hammond Clark** participated in a panel discussion on the subject of "Settlement In Lieu of Hearing" at the Annual Conference of the National Clearinghouse on Licensure, Enforcement and Regulation (CLEAR) in Washington, D.C....Assistant Attorney General **Thomas R. Miller**, the Commission's Legal Counsel, participated in a panel discussion before the Builder/REALTOR Annual Business Forum in Charlotte....**L. Ted Gayle**, the Commission's Director of Audits and Investigations, spoke to the Property Managers Division of the Winston-Salem Board of REALTORS....Deputy Legal Counsel **Blackwell M. Brogden, Jr.** appeared before the Raleigh Board of REALTORS Multiple Listing Service.... Former Assistant Legal Counsel **Robin Hammond Clark** spoke at a session of the Fayetteville Area Board of REALTORS and the Women's Counsel of REALTORS in Raleigh.... Assistant Legal Counsel **Miriam J. Baer** spoke to the Asheboro-Randolph and Chapel Hill Boards of REALTORS, conducted a seminar at the Central Carolina Community College Small Business Assistance Center, and participated in the North Carolina Association of REALTORS Entry-Level Seminars in Statesville and Wrightsville Beach....Trust Account Auditor **Emmet R. Wood** addressed the Lexington Board of REALTORS....Commission Member **Patricia B. Casey** was guest speaker at a meeting of the Johnston County Board of REALTORS and Commission Member **Chandler B. Lee** spoke to the Pinehurst/Southern Pines Area Board of REALTORS. □

TRUST ACCOUNT SHORT COURSE

Schedule

Primary Date

January 10
February 14
March 14

Overflow Date

January 17
February 21
March 21

1. The Trust Account Short Course is designed to bring participants up to date on current laws, rules and procedures governing the handling of client funds and to assist real estate firms in developing good bookkeeping and recordkeeping practices.
2. Any real estate licensee, trust account bookkeeper or other person who handles real estate trust funds or accounts may attend.
3. These free courses require 3-½ hours to complete and are offered monthly in Raleigh at the Real Estate Commission Office beginning at 1:00 p.m.
4. To register for the course, telephone the Real Estate Commission Office (919/733-9580) at least 10 days prior to the course and ask for the *Trust Account Course Clerk*. Please have your real estate license number (if any) handy! Registrations will be confirmed in writing giving registrants more detailed information concerning the location and content of the course.
5. Registrations will be accepted on a first-come first-served basis. After the course scheduled for the "Primary Date" is full, additional registrants will be scheduled for the "Overflow Date."

APPRAISER REGULATION UPDATE

The North Carolina Real Estate Commission has endorsed and will recommend to the General Assembly at its 1989 Session the adoption of a plan for regulating the real estate appraisal industry in North Carolina. The Commission's decision followed an open forum and numerous meetings and discussions with representatives of appraiser organizations, independent appraisers, banking and savings and loan organizations, governmental agencies, and other persons and organizations who would be most affected by such regulation. The Commission also compiled a comprehensive listing of persons engaged in real estate appraising in North Carolina and surveyed them as to their employment status and appraisal activity in order to predict the impact of the proposed regulatory plan on persons currently engaged in real estate appraising.

Recognizing that some aspects of the plan are favored and others opposed by various organizations and individuals who would be subject to its provisions, nevertheless, the Commission believes that it represents a fair and balanced approach to providing effective protection for consumers or real estate appraisal services without disrupting the delivery of these vital services to institutional and governmental consumers and without imposing unreasonable restrictions on practicing and future real estate appraisers.

The rationale and structure of the Commission's proposed plan can perhaps best be described by the following questions and answers:

Q. What are the current requirements for appraising real estate in North Carolina?

A. At the present time, there are no qualifications or regulatory requirements for persons who appraise real estate. No training, experience or examination is required, and no standards of conduct must be followed. Although certain appraisers voluntarily belong to trade and professional associations which require appraisal training and experience as a prerequisite to membership, nevertheless, anyone in North Carolina may "hang out his shingle" as a real estate appraiser.

Q. Why should real estate appraisers be regulated?

A. Governmental agencies, banks and individual consumers lend and borrow billions of real estate-secured dollars each year based upon the advice of real estate appraisers. The potential for injury to the public has recently been demonstrated by the failure of various financial institutions in other states, where fraudulent and incompetently performed appraisals were found to be a major contributing cause. This has prompted Congress to consider legislation which would require federal regulation of appraisers. It is believed that by regulating the appraisal industry, the public would be better able to identify competent real estate appraisers and the government would be better able to protect consumers by preventing dishonest and incompetent persons from entering and engaging in the real estate appraisal business.

Q. Are any plans being considered for regulating real estate appraisers in North Carolina?

A. Yes. The North Carolina Real Estate Commission believes that real estate appraisers (like other occupations and professions) can be regulated most effectively and efficiently at the state level; therefore, the Commission plans to recommend to the State Legislature at its 1989 Session a comprehensive program for regulating real estate appraisers. Under the proposed "two-tiered" program, persons who appraise real estate must first be licensed as real estate brokers or salesmen. And real estate brokers and salesmen may then become "state certified real estate appraisers" by satisfying certain qualification requirements established by the State Legislature.

Q. Under the Commission's proposed plan, must everyone who appraises real estate have a real estate license?

A. Yes. The only exceptions being considered by the Commission at this time are full-time governmental employees (including county tax assessors and appraisers and certain employees of appraisal firms when performing ad valorem tax appraisals for counties) and full-time employees of state and federally chartered banks and savings and loan associations when appraising real estate in connection with their employment. (Note: These persons would, however, be required to obtain real estate licenses if they wish to become "state certified real estate appraisers.")

Q. Would the requirements for obtaining a real estate license be changed?

A. Hopefully. The Commission plans to ask the State Legislature to add a separate 30-hour course in Real Estate Appraisal Fundamentals for applicants for broker licenses and to increase the education requirements for a salesman license to 60 classroom hours (now 30) to afford schools additional time to teach real estate appraisal and other subjects.

Q. Why should I become a "state certified real estate appraiser"?

A. Only real estate brokers and salesmen who have satisfied the qualification requirements to be "state certified real estate appraisers" would be authorized to use the term "state certified" (or any similar term implying state certification) to identify themselves or their appraisals to the public. Consequently, persons in need of real estate appraisal services (banks, savings and loan institutions, governmental agencies, individual consumers, etc.) would be assured that when they employ a "state certified real estate appraiser," they have employed someone who has met state-mandated standards of competency and will be held to a legally enforceable standard of professional conduct.

Q. Will there be separate classes of certification?

A. Yes. Qualified real estate brokers and salesmen could be certified as either "Residential" or "General" real estate appraisers. *Certified Residential Real Estate Appraisers* could perform "certified" appraisals of residential properties containing not more than four dwelling units. And *Certified General Real Estate Appraisers* could perform "certified" appraisals of all types of real property. (Note: Licensed real estate brokers and salesmen who are not state certified appraisers could assist in performing certified appraisals so long as they are supervised by the state certified appraiser.)

Q. What would the qualification requirements be for state certification as a real estate appraiser?

A. To become a state certified real estate appraiser, applicants must (1) hold a current North Carolina real estate broker or salesman license, (2) be of good character, (3) pass a written examination, and (4) satisfy the following education requirements: *Residential*—One year full-time experience in real estate appraising, and completion of two 30-classroom hour appraisal courses (Fundamentals and Residential Principles and Practices); or the equivalent. *General*—Two years' full-time experience in real estate appraising, completion of two 30-classroom hour appraisal courses (Fundamentals and Residential Principles and Practices), and completion of 60 additional hours covering general real estate appraisal practices; or the equivalent. (Note: The federal government's Office of Management and Budget is expected to issue a statement directing certain federal agencies to utilize only those real estate appraisers who possess a minimum level of appraisal education and experience and who have passed a comprehensive qualifying examination. If this occurs, the Commission proposes to revise the above certification requirements to comply with these federal directives).

Q. Must these appraisal courses be approved by the Real Estate Commission?

A. Yes. The Commission would adopt standards for the offering of appraisal courses. Although the

Commission may accept "non-approved courses" as being equivalent, these determinations would be made on a case-by-case basis. Therefore, persons who enroll in appraisal courses prior to the adoption of these standards are advised that the courses may not be accepted by the Commission for either pre-certification or continuing education purposes.

Q. Would state certified appraisers be required to take continuing education courses after they have been certified?

A. Possibly. The Real Estate Commission plans to ask the State Legislature for authority to adopt rules establishing a continuing education program for state certified appraisers. If the Commission determines that continuing education is needed, the amount of continuing education required would not exceed 24 classroom hours for any two-year period.

Q. How much would it cost to become state certified?

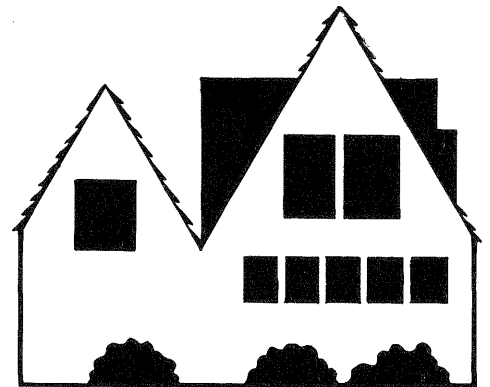
A. The Commission estimates that the application/examination fee for certification would be between \$100 and \$150 and the annual renewal fee would be between \$50 and \$100. The actual fees would reflect the costs of implementing and administering the appraiser regulatory program.

Q. Would the Real Estate Commission seek the advice of professional appraisers in implementing and administering the appraiser regulation program?

A. Yes. An advisory body consisting primarily of knowledgeable and experienced appraisers would be created to give the Commission technical advice and assistance on appraisal matters, including recommending standards for real estate appraiser education and standards of practice for appraisers; developing or approving questions on appraisal topics for real estate licensing and appraiser certification examinations; recommending to the Real Estate Commission whether probable cause exists of a violation of the laws and rules governing real estate appraisers; and providing expert testimony at hearings involving real estate appraisal subject matter. The Commission also supports legislation requiring at least one member of the Real Estate Commission to be an experienced real estate appraiser.

Q. When would the licensing requirements and voluntary certification program become effective?

A. [If enacted by the State Legislature at its 1989 Session] After June 30, 1990, persons who appraise real estate in North Carolina would have to be licensed as real estate brokers and salesmen. (Note: Based upon a comprehensive survey conducted by the Commission, it appears that approximately 91% of real estate appraisers in North Carolina are either already licensed as real estate brokers or salesmen or would be exempt from the licensure requirement because of their employment. And after October 1, 1990, real estate appraisers in North Carolina could no longer identify themselves as being "state certified" (or use any similar term) unless they have been certified by the Real Estate Commission. □



REAL ESTATE COMMISSION EMPLOYMENT OPPORTUNITIES

The following job description summaries are for positions now available on the Real Estate Commission staff. Interested, **qualified** persons are referred to the accompanying Application for Employment Form and instructions.

Questions or requests for additional information should be directed **in writing** (no telephone inquiries please) to the Commission's Director of Administration, N.C. Real Estate Commission, P.O. Box 17100, Raleigh, N.C. 27619-7100.

Examination And Licensing Coordinator

SALARY:	Beginning Salary Range \$23,700-27,000 (depending upon qualifications)
BENEFITS:	Blue Cross health insurance (Family Coverage); retirement contribution; paid vacation and sick leave.
DUTIES:	(1) Coordinates the administration of North Carolina's real estate licensing examination program, including developing and administering examination policies and procedures; developing and maintaining a question bank; maintaining examination records and materials; and performing other examination-related administrative support functions. (2) Coordinates licensing activities, including reviewing license applications requiring special consideration, and handling inquiries regarding real estate license qualification requirements. (3) Performs other related duties at the direction of the Director of Education and Licensing.
QUALIFICATIONS:	Bachelor's degree in liberal arts, preferably the field of education; two years' experience in adult education or testing; a real estate broker license and one year of experience in real estate brokerage; or an equivalent combination of education and experience.
OTHER REQUIREMENTS:	Must reside in or be willing to relocate to the Raleigh area (No moving expenses or allowance will be paid by the Commission). Must possess excellent organizational skills, superior written and verbal communication skills, and basic typing or computer skills. [Note: Applicants selected for interview may be required to submit samples of real estate test questions that they have written.]

Information Officer

SALARY:	Beginning Salary Range \$23,700-27,000 (depending upon qualifications)
BENEFITS:	Blue Cross health insurance (Family Coverage); retirement contribution; paid vacation and sick leave.
DUTIES:	(1) Responds to written and telephone inquiries from real estate licensees and to complaints and inquiries from real estate consumers relating to the Real Estate License Law, the Commission's rules and positions, and general brokerage practices. (2) Performs other related duties at the direction of the Commission's Legal Counsel and Director of Audits and Investigations.
QUALIFICATIONS:	Bachelors degree; a real estate broker license and two years of experience in general real estate brokerage; or an equivalent combination of education and experience.
OTHER REQUIREMENTS:	Must reside in or be willing to relocate to the Raleigh area (No moving expenses or allowance will be paid by the Commission). Must possess excellent written and verbal communication skills, and basic typing or computer skills. <input type="checkbox"/>

APPLICATION FOR EMPLOYMENT

Instructions

Completion of Application Form

1. Use a black ink pen or typewriter.
2. List your social security number correctly.
3. List your zip code correctly.
4. Complete the section for equal opportunity information.
5. Give complete information on your education and work history (Do not put "See Resume" under education and work history).
6. List separately each job held and your duties for each position when you worked for one employer and held more than one position.
7. Sign and date your application.
8. **[Note: Incomplete applications may not be considered or may be returned to you for proper completion.]**

Other Application Materials

In addition to a properly completed Application for Employment form, applicants **must** submit a College Transcript and Writing Sample (articles, reports, papers, etc. prepared by the applicant), and **may** submit a Resume.

Filing Application Form and Materials

1. Carefully remove the application form from the **Bulletin**.
2. Mail your application form and other required materials to the **N.C. Real Estate Commission, P.O. Box 17100, Raleigh, NC 27619-7100, Attn: Director of Administration**.
3. **No telephone inquiries or requests for appointments, please!**
4. Applications for Employment and related materials must be received in the Real Estate Commission Office not later than Friday, January 13, 1989.

Employment Schedule

January 13 - Deadline for Employment Applications
January 23-31 - Preliminary Interviews
February 7-9 - Final Interviews and Decision
March 1 - Begin Work (Specific date negotiable) ☐

EQUAL OPPORTUNITY EMPLOYER



EMPLOYMENT APPLICATION FORM

APPLICATION FOR EMPLOYMENT

STATE OF
NORTH CAROLINA

Date of Application

Please Print or Type (SSN Voluntary, for Record-Keeping and Data Processing Only)

Social Security Number	Last Name	First Name	Middle Name
Address (Street number and name)		City	County
State	Zip Code	Phone (Home or where you can be reached) ()	Business Phone ()

Availability

Do you now work for the State of N.C.? ☐ YES ☐ NO Are you related by blood or marriage to any person now working for the State? ☐ YES ☐ NO
(If yes, give name, relationship to you and the agency where employed.)

Are you a U.S. citizen? ☐ YES ☐ NO If not, are you an alien lawfully authorized to work in the U.S.? ☐ YES ☐ NO

Military Service

Have you served honorably in the Armed Forces of the United States on active duty for reasons other than training? ☐ YES ☐ NO

Do you have a service-connected disability? ☐ YES ☐ NO

At the time of this application, are you the surviving spouse or dependent of a deceased veteran who died from service-related reasons? ☐ YES ☐ NO

At the time of this application, are you the spouse of a disabled veteran? ☐ YES ☐ NO

Give dates of your (or spouse's) qualifying active military service:
Entered: _____ Separated: _____ Branch: _____ Rank: _____

Are you a member of the Military Reserves? ☐ YES ☐ NO Branch: _____ Rank: _____

AGENCY USE ONLY ELIGIBLE FOR VETERAN'S PREFERENCE: ☐ YES ☐ NO

CHECK the types of work you will accept: ☐ 1. Permanent full-time ☐ 2. Permanent part-time ☐ 3. Temporary full-time
☐ 4. Temporary part-time ☐ 5. Any of the preceding ☐ 6. Work involving travel ☐ 7. Shift or split shift work

If you are not available for work now, enter the earliest date you could begin work (mo./day/yr.) _____

Will you accept work anywhere in N.C.? ☐ YES ☐ NO (If no, list below the counties in which you would be willing to work.)

1. _____ 2. _____ 3. _____ 4. _____ 5. _____

Jobs Applied For

Enter below the specific title(s) of the job(s) for which you are applying. Please list no more than three on this application.

1. _____ 2. _____ 3. _____

Referral Source

Please indicate your referral source: _____ If you were referred by the
Employment Security Commission (Job Service) please indicate which local office: _____

Education

Circle highest grade completed: 1 2 3 4 5 6 7 8 9 10 11 12 GED College 1 2 3 4 Graduate School 1 2 3 4

Under S/Q Hrs., list the hours of credit received and if they were semester (S) or quarter (Q) hours.

Schools	Name and Location	Dates Attended (mo/yr) From: To:	Grad?	S/Q Hrs.	Maj/Min Course Work	Type of Degree Received
High School			YES <input type="checkbox"/> NO <input type="checkbox"/>			
College(s) University(ies)			YES <input type="checkbox"/> NO <input type="checkbox"/>			
Graduate or Professional			YES <input type="checkbox"/> NO <input type="checkbox"/>			
Other educational, vocational schools, internships, etc.			YES <input type="checkbox"/> NO <input type="checkbox"/>			

Special training programs and seminars you have completed in the last five years (List):

If the job(s) applied for calls for specific courses, indicate those courses taken and credits received:

Current professional status: (List fields of work for which you have been registered)

Registration: _____ State: _____ No. _____

Registration: _____ State: _____ No. _____

Membership in professional, honorary, or technical societies (List):	DO NOT COMPLETE THIS BLOCK
	DEGREES AND PROFESSIONAL CREDENTIALS
	<input type="checkbox"/> Have been verified
	<input type="checkbox"/> Will be verified within 90 days (G.S. 126-30)
	Person responsible _____

Licenses and certifications (List, giving dates and sources of issuance):

Skills

CHECK the following skills, experiences, etc. which you have:

<input type="checkbox"/> Driver's license	Number _____ State _____	<input type="checkbox"/> Sign language _____	<input type="checkbox"/> Legal transcription
<input type="checkbox"/> Chauffeur's license	Number _____ State _____	<input type="checkbox"/> Foreign language (specify) _____	<input type="checkbox"/> Medical transcription
<input type="checkbox"/> Car for use at work		<input type="checkbox"/> Adding machine/calculator	<input type="checkbox"/> Braille skills
		<input type="checkbox"/> Typing (specify WPM) _____	<input type="checkbox"/> Word Processing Skills
		<input type="checkbox"/> Shorthand/speedwriting (specify WPM) _____	<input type="checkbox"/> Other _____

Have you ever been convicted of an offense against the law other than a minor traffic violation? (A conviction does not mean you cannot be hired. The offense and how recently you were convicted will be evaluated in relation to the job for which you are applying.) ☐ YES ☐ NO (If yes, explain fully on an additional sheet.)

Work History (include volunteer experience) Use Additional Sheets if Necessary _____

Current or Last Employer:				Address:			
Job Title				Supervisor's name:		Telephone Number:	
Date Employed (mo/yr)				Starting Salary \$ per		Ending or Current Salary \$ per	
				Reason for Leaving		May We Contact Employer? YES <input type="checkbox"/> NO <input type="checkbox"/>	
Date Separated (mo/yr)				List major duties in order of their importance in the job:			
Full Time							
Years							
Months							
Part Time							
Years							
Months							
If part time, number of hours worked per week:							

Employer:				Address:			
Job Title				Supervisor's name:		Telephone Number:	
Date Employed (mo/yr)				Starting Salary \$ per		Ending Salary \$ per	
				Reason for Leaving			
Date Separated (mo/yr)				List major duties in order of their importance in the job:			
Full Time							
Years							
Months							
Part Time							
Years							
Months							
If part time, number of hours worked per week:							

Employer:				Address:			
Job Title				Supervisor's name:		Telephone Number:	
Date Employed (mo/yr)				Starting Salary \$ per		Ending Salary \$ per	
				Reason for Leaving			
Date Separated (mo/yr)				List major duties in order of their importance in the job:			
Full Time							
Years							
Months							
Part Time							
Years							
Months							
If part time, number of hours worked per week:							

I certify that I have given true, accurate and complete information on this form to the best of my knowledge. In the event confirmation is needed in connection with my work, I authorize educational institutions, associations, registration and licensing boards, and others to furnish whatever detail is available concerning my qualifications. I authorize investigation of all statements made in this application and understand that false information or documentation, or a failure to disclose relevant information may be grounds for rejection of my application, disciplinary action or dismissal if I am employed, and (or) criminal action. I further understand that dismissal upon employment shall be mandatory if fraudulent disclosures are given to meet position qualifications. (Authority: G.S. 126-30, G.S. 14-122.1).

Signature of Applicant (unsigned applications will not be processed)

Date

STATE OF NORTH CAROLINA

Social Security Number

Last Name

An Equal Opportunity/Affirmative Action Employer

Employer:				Address:			
Job Title				Supervisor's name:		Telephone Number:	No. Supervised by you:
Date Employed (mo/yr)		Starting Salary \$ per		Ending Salary \$ per		Reason for Leaving	
Date Separated (mo/yr)		List major duties in order of their importance in the job:					
Full Time	Years	Months					
Part Time	Years	Months					
If part time, hours per week:							

Employer:				Address:			
Job Title				Supervisor's name:		Telephone Number:	No. Supervised by you:
Date Employed (mo/yr)		Starting Salary \$ per		Ending Salary \$ per		Reason for Leaving	
Date Separated (mo/yr)		List major duties in order of their importance in the job:					
Full Time	Years	Months					
Part Time	Years	Months					
If part time, hours per week:							

Employer:				Address:			
Job Title				Supervisor's name:		Telephone Number:	No. Supervised by you:
Date Employed (mo/yr)		Starting Salary \$ per		Ending Salary \$ per		Reason for Leaving	
Date Separated (mo/yr)		List major duties in order of their importance in the job:					
Full Time	Years	Months					
Part Time	Years	Months					
If part time, hours per week:							

Employer:				Address:			
Job Title				Supervisor's name:		Telephone Number:	No. Supervised by you:
Date Employed (mo/yr)		Starting Salary \$ per		Ending Salary \$ per		Reason for Leaving	
Date Separated (mo/yr)		List major duties in order of their importance in the job:					
Full Time	Years	Months					
Part Time	Years	Months					
If part time, hours per week:							

I certify that I have given true, accurate and complete information on this form to the best of my knowledge. In the event confirmation is needed in connection with my work, I authorize educational institutions, associations, registration and licensing boards, and others to furnish whatever detail is available concerning my qualifications. I authorize investigation of all statements made in this application and understand that false information or documentation, or a failure to disclose relevant information may be grounds for rejection of my application, disciplinary action or dismissal if I am employed, and (or) criminal action. I further understand that dismissal upon employment shall be mandatory if fraudulent disclosures are given to meet position qualifications. (Authority: G.S. 126-30, G.S. 14-122.1).

Signature of Applicant (unsigned applications will not be processed)

Date

Licenses and certifications (List, giving dates and sources of issuance):

Skills

CHECK the following skills, experiences, etc. which you have:

- | | | | |
|--|--------------------------|---|---|
| <input type="checkbox"/> Driver's license | Number _____ State _____ | <input type="checkbox"/> Sign language _____ | <input type="checkbox"/> Legal transcription |
| <input type="checkbox"/> Chauffeur's license | Number _____ State _____ | <input type="checkbox"/> Foreign language (specify) _____ | <input type="checkbox"/> Medical transcription |
| <input type="checkbox"/> Car for use at work | | <input type="checkbox"/> Adding machine/calculator | <input type="checkbox"/> Braille skills |
| | | <input type="checkbox"/> Typing (specify WPM) _____ | <input type="checkbox"/> Word Processing Skills |
| | | <input type="checkbox"/> Shorthand/speedwriting (specify WPM) _____ | <input type="checkbox"/> Other _____ |

Have you ever been convicted of an offense against the law other than a minor traffic violation? (A conviction does not mean you cannot be hired. The offense and how recently you were convicted will be evaluated in relation to the job for which you are applying.) ☐ YES ☐ NO (If yes, explain fully on an additional sheet.)

Work History (include volunteer experience) Use Additional Sheets if Necessary

Current or Last Employer:			Address:		
Job Title			Supervisor's name:		Telephone Number:
Date Employed (mo/yr)			Starting Salary \$ per	Ending or Current Salary \$ per	Reason for Leaving
Date Separated (mo/yr)			May We Contact Employer? YES <input type="checkbox"/> NO <input type="checkbox"/>		
List major duties in order of their importance in the job:					
Full Time	Years	Months			
Part Time	Years	Months			
If part time, number of hours worked per week:					

Employer:			Address:		
Job Title			Supervisor's name:		Telephone Number:
Date Employed (mo/yr)			Starting Salary \$ per	Ending Salary \$ per	Reason for Leaving
Date Separated (mo/yr)			May We Contact Employer? YES <input type="checkbox"/> NO <input type="checkbox"/>		
List major duties in order of their importance in the job:					
Full Time	Years	Months			
Part Time	Years	Months			
If part time, number of hours worked per week:					

Equal Opportunity Information

State Government policy prohibits discrimination based on race, sex, color, creed, national origin, age or handicap. Sex, age or absence of handicap is a bona fide occupational qualification in a small number of State jobs. The information requested below will in no way affect you as an applicant. Its sole use will be to see how well our recruitment efforts are reaching all segments of the population.

<p>Date of Birth</p> <p> <input type="text"/> <input type="text"/> <input type="text"/> </p> <p>(mo) (day) (year)</p>		<p>Check One</p> <p>SEX <input type="checkbox"/> M <input type="checkbox"/> F</p> <p>(male) (female)</p>													
<p>ETHNIC GROUP</p> <p>1 <input type="checkbox"/> White (non-Hispanic)</p> <p>2 <input type="checkbox"/> Black (non-Hispanic)</p> <p>3 <input type="checkbox"/> Hispanic (Mexican, Puerto Rican, Cuban, Central or South American, other Spanish origin regardless of race)</p> <p>4 <input type="checkbox"/> Asian (including Pacific Islander)</p> <p>5 <input type="checkbox"/> American Indian (including Alaskan native)</p>		<p>HANDICAP: A handicap is any impairment which substantially limits one or more major life activities. A handicapped person is one who: (i) actually has such an impairment; (ii) has a record of such impairment; or (iii) is regarded as having such an impairment. Non-handicapped persons should check item A.</p> <p>The reporting of a handicap is strictly voluntary. Handicapped persons who do not wish to report their handicaps should check item A.</p> <p>Information reported on this form will be maintained only in personnel files which must be kept confidential under State law. Public disclosure of this information without your consent would be a violation of G.S. 126-27.</p> <table border="0"> <tr> <td>A <input type="checkbox"/> None/Prefer not to report</td> <td>G <input type="checkbox"/> Respiratory impairment</td> </tr> <tr> <td>B <input type="checkbox"/> Blind or severely visually impaired</td> <td>H <input type="checkbox"/> Nervous system/neurological disorder</td> </tr> <tr> <td>C <input type="checkbox"/> Deaf or severely hearing impaired</td> <td>I <input type="checkbox"/> Mental illness/emotional disturbance</td> </tr> <tr> <td>D <input type="checkbox"/> Loss or limited use of arms and/or hands</td> <td>J <input type="checkbox"/> Mental retardation</td> </tr> <tr> <td>E <input type="checkbox"/> Non-ambulatory (must use wheelchair)</td> <td>K <input type="checkbox"/> Learning disability</td> </tr> <tr> <td>F <input type="checkbox"/> Semi-ambulatory (limited mobility, but wheelchair not needed)</td> <td>L <input type="checkbox"/> Other (please describe): _____</td> </tr> </table>		A <input type="checkbox"/> None/Prefer not to report	G <input type="checkbox"/> Respiratory impairment	B <input type="checkbox"/> Blind or severely visually impaired	H <input type="checkbox"/> Nervous system/neurological disorder	C <input type="checkbox"/> Deaf or severely hearing impaired	I <input type="checkbox"/> Mental illness/emotional disturbance	D <input type="checkbox"/> Loss or limited use of arms and/or hands	J <input type="checkbox"/> Mental retardation	E <input type="checkbox"/> Non-ambulatory (must use wheelchair)	K <input type="checkbox"/> Learning disability	F <input type="checkbox"/> Semi-ambulatory (limited mobility, but wheelchair not needed)	L <input type="checkbox"/> Other (please describe): _____
A <input type="checkbox"/> None/Prefer not to report	G <input type="checkbox"/> Respiratory impairment														
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F <input type="checkbox"/> Semi-ambulatory (limited mobility, but wheelchair not needed)	L <input type="checkbox"/> Other (please describe): _____														

EDUCATION & LICENSING NEWS

Scholarships Awarded

The North Carolina Real Estate Educational Foundation recently named this year's recipients of two scholarships sponsored by the Commission recognizing outstanding achievement at the North Carolina REALTORS Institute. **Rebecca Hedgecock** of High Point was awarded the "Joe Schweidler Memorial Scholarship" for attaining the highest scholastic average in Course B, and **Lomes W. Creech** of Wendell received the "Blanton Little Memorial Scholastic Achievement Award" for outstanding academic achievement at the Institute.

Reciprocity

South Carolina has repealed its residency requirement for real estate licensing effective November 30, 1988. Consequently North Carolina residents may now obtain nonresident South Carolina real estate licenses by satisfying South Carolina's preclicensing requirements and passing their licensing examination (and vice versa). As a result of this change, the South Carolina Real Estate Commission has notified the North Carolina Real Estate Commission that it will no longer license North Carolina resident licensees by reciprocity, and reciprocity between the two states was terminated also effective November 30, 1988.

However, the South Carolina Real Estate Commission will continue to honor nonresident reciprocal licenses issued to North Carolina resident licensees on and before November 30, so long as they remain current and in good standing. The North Carolina Real Estate Commission will treat South Carolina resident licensees holding North Carolina nonresident reciprocal licenses in the same manner. [Note: For additional information concerning the qualification requirements for South Carolina real estate licenses, contact the South Carolina Real Estate Commission, Capitol Center - AT&T Building, 1201 N. Main Street, Suite 1500, Columbia, South Carolina, 29201, Phone (803) 737-0700.]

In other reciprocity news, the North Carolina Real Estate Commission entered into a reciprocal licensing agreement with the Indiana Real Estate Commission on October 5, 1988 whereby qualified Indiana real estate brokers and salesmen may obtain nonresident North Carolina real estate licenses without passing North Carolina's real estate licensing examination, and vice versa. Applicants for broker licenses, however, must have held a broker license in their resident state for at least two years. [Note: For additional information concerning the qualification requirements for Indiana real estate licenses, contact the Indiana Real Estate Commission, 100 North Senate Avenue, 1021 State Office Building, Indianapolis, Indiana, 46206, Phone (317) 232-2980.]

North Carolina currently has reciprocal licensing agreements with the following states providing for waiver of the licensing examination: Arkansas, Connecticut, Delaware, Indiana, New Jersey, Oklahoma, Tennessee and West Virginia.

Coastal Property Workshops

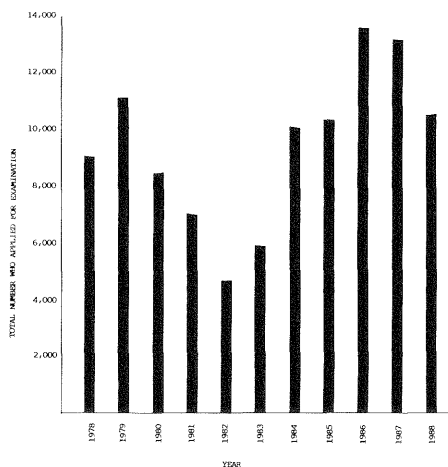
The Real Estate Commission, in conjunction with UNC Sea Grant, the NC Division of Coastal Management and NC State's Department of

Civil Engineering recently sponsored four one-day workshops entitled, "Coastal Property Workshop; Planning Constructing and Selling Barrier Island Real Estate."

More than 350 people attended the workshop in Raleigh, Kill Devil Hills, Morehead City or Wrightsville Beach. Topics covered included the Coastal Area Management Act, the North Carolina Building Code, the Real Estate License Law and Rules, consumer protection statutes, and the Time Share Act, with an emphasis on how those laws affect site selection, building and selling coastal property.

License Application Trends

Do applications for real estate licenses reflect activity in the real estate market? An analysis of applications received by the Real Estate Commission during the ten-year period 1978-1988 tend to indicate that this relationship does, in fact, exist.



Note especially the decrease in license applications during the early part of the 1980's at a time when the economy and real estate activity was sluggish, and the peak periods of 1986 and 1987 when interest rates were low and home sales brisk. If the volume of license applications is indeed a sign of market strength, then perhaps the Commission's best wish for its licensees is that license applications continue to escalate in the years ahead.

Broker-In-Charge Verification of a Salesman's Experience

Brokers-In-Charge are frequently asked by one of their salesmen to verify that salesman's experience to the Real Estate Commission. This verification is usually requested by the salesman so that he or she can qualify to sit for the broker examination without taking additional preclicensing courses. The Real Estate License Law allows licensed salesmen to do so if the salesman has completed at least two years of active, full-time experience in real estate brokerage within five years immediately preceding the date of application. Both salesmen and Brokers-In-Charge should, therefore, be aware of the Commission's requirements with regard to such verification and of the need to maintain accurate employment records and to strictly comply with the Commission's rules

relating to supervision of salesmen.

The verification of a salesman's experience by a supervising Broker-In-Charge must be in letter form and must:

- (1) state the specific dates of supervised employment; and
- (2) state the average number of hours per week devoted to real estate brokerage; and
- (3) describe the specific duties performed by the salesman during the supervised employment period.

Qualifying experience must involve real estate brokerage activities as defined in the License Law, and **the minimum required experience must have been obtained prior to the date of application.** The Commission will recognize part-time experience which is equivalent to full-time (40 hours per week) experience as satisfying this requirement. The Commission also reserves the right to request additional verification or explanation of experience in any case.

It is especially important to note that generally a **Broker-In-Charge may only verify the experience obtained by a salesman while under his or her active supervision.** Thus, a salesman may often need to obtain verification letters from both present and former Brokers-In-Charge in order to properly verify at least two years' experience. If a problem is encountered in obtaining a verification letter from a former Broker-In-Charge, then the salesman should contact the Commission's Licensing Department before filing his application.

A false claim by a salesman in a broker license application as to the salesman's qualifying experience is grounds for denial of the application and disciplinary action against the salesman. Similarly, a false verification by a broker of a salesman's qualifying experience is grounds for disciplinary action against the broker.

Salesmen and Brokers-In-Charge should also be aware that **the Commission may not recognize a salesman's experience for any period during which, according to the Commission's records, the salesman was not properly being supervised.** Therefore, it is extremely important that Brokers-In-Charge strictly comply with Commission rules by promptly filing a "Supervision of Salesman Notification" form with the Commission immediately upon becoming Broker-In-Charge of an office and when each new salesman joins the firm. [Note: Refer to page 10 of this *Bulletin* for a Supervision of Salesman Notification form which may be duplicated for your use.] A salesman may not receive credit for experience which predates the supervision form filed by the Broker-In-Charge.

A Broker-In-Charge must also immediately notify the Commission in writing upon termination of his supervision of a salesman, giving date of termination and current home address of the salesman, so that the salesman's license can be placed on inactive status.

Salesman should be aware that they are also responsible for seeing that properly completed "Supervision of Salesmen Notification" forms are filed when they associate with a Broker-In-Charge, and that written notification is sent to the Commission upon their termination of supervision. A salesman is prohibited from performing brokerage activities without proper supervision.

(Continued on page 12)



SUPERVISION OF SALESMAN NOTIFICATION

Instructions

1. After carefully reading these instructions, this form must be properly completed and signed by the salesman and the Broker-In-Charge of the office where the salesman will be employed. *(The Broker-In-Charge should retain a copy of this completed form for his/her files.)*
2. **The salesman named in this form may begin working as a real estate salesman under the supervision of the Broker-In-Charge when the Broker-In-Charge has either mailed or delivered this properly completed form to the Real Estate Commission. *(No fee is required.)***
3. The Real Estate Commission will send the Broker-In-Charge a written Acknowledgement confirming that this form has been received and accepted. *(The Broker-In-Charge should retain the Acknowledgement for his/her files.)* **If the Broker-In-Charge has not received the Acknowledgement by 30 calendar days after the date entered below on this "Supervision of Salesman" form, the salesman must immediately cease any further activity for which a real estate license is required until the Acknowledgement has been received. *(Brokers-In-Charge are advised to contact the Records Department at the Commission Office if the Acknowledgement has not been received by 25 days after the date entered on this form.)***
4. **The salesman's real estate license certificate is the property of the salesman.** The license certificate must be prominently displayed in the office of the Broker-In-Charge while the salesman is under the supervision of the Broker-In-Charge, and must be returned to the salesman *(not the Real Estate Commission)* upon the termination of his/her association with the Broker-In-Charge or firm.
5. **Upon termination of the salesman's association with the Broker-In-Charge or firm, the Broker-In-Charge must immediately notify the Real Estate Commission in writing,** giving the salesman's *current residence address and date of termination*. The Commission will furnish the Broker-In-Charge and salesman a written Acknowledgement confirming that the notification has been received and that the Broker-In-Charge has been released from further supervisory responsibility over the salesman's real estate activities. *(The Broker-In-Charge should retain this Acknowledgement for his/her files.)*

TYPE OR PRINT IN INK

TO BE COMPLETED BY SALESMAN:

I hereby advise the North Carolina Real Estate Commission that I am (as of the date shown below) engaged in the business of a real estate salesman under the supervision of the Broker-In-Charge listed below. I further certify to the Real Estate Commission that I shall engage in acts which require a real estate license only while under the active, personal supervision of said Broker-In-Charge.

SIGNATURE OF SALESMAN _____

SALESMAN'S FULL NAME _____ LIC. # _____

RESIDENCE ADDRESS _____

TO BE COMPLETED BY BROKER-IN-CHARGE:

I hereby certify that the above salesman is (as of the date shown below) engaged in the business of a real estate salesman under my active, personal supervision and will remain under my supervision until I otherwise give written notice to the Real Estate Commission. I further certify that thirty (30) calendar days following the date shown below, such salesman shall discontinue any and all licensed activity in the event that I have not received from the Commission written acknowledgement of the receipt and acceptance of this form.

SIGNATURE OF BROKER-IN-CHARGE _____

BROKER-IN-CHARGE'S FULL NAME _____ LIC. # _____

BUSINESS NAME _____

BUSINESS STREET ADDRESS _____

BUSINESS MAILING ADDRESS _____

DATE: _____

DISCIPLINARY ACTION

Penalties for violations of the Real Estate License Law and Commission Rules and Regulations vary depending upon the particular facts and circumstances present in each case. Due to space limitations in the Bulletin, a complete description of such facts cannot be reported in the following Disciplinary Action summaries.

WILLIAM DENNIS ADAMS, III (Wilson) - By Consent, the Commission reprimanded Mr. Adams for failing to assure that a salesman under his supervision performed all acts for which a real estate license was required.

FREDERICK A. AMON, JR. (Hickory) - By Consent, the Commission suspended Mr. Amon's salesman's license for six months effective August 15, 1988. The Commission found that Mr. Amon had failed to deliver an earnest money deposit to his supervising Broker-In-Charge and that he had disbursed the deposit while it was the subject of dispute between the parties.

CONRAD A. CLEMENT, JR. (Concord) - By Consent, the Commission suspended Mr. Clement's broker's license for six months effective October 1, 1988. The Commission then suspended its Order. The Commission found that Mr. Clements had made negligent misrepresentations by representing that a property offered for sale contained 2,100 square feet of heated area when, in fact, it had 1,864 and that the lot was one acre in size when, in fact it was .8333 acre.

SANDRA L. CLEMENT (Concord) - By Consent, the Commission reprimanded Mrs. Clement for making a negligent misrepresentation by representing that a property offered for sale contained 2,100 square feet of heated area when, in fact, it had 1,864 and that the lot was one acre in size when, in fact, it was .8333 acre.

LAWRENCE J. DEVENNEY (Waxhaw) - By Consent, the Commission reprimanded Mr. Devenney for making a negligent misrepresentation by showing a prospective purchaser a certain lot in a subdivision but advising the purchaser that he was being shown a different lot. Mr. Devenney neither admitted to nor denied this allegation.

WAYNE A. FRIEND (Dare County) - By Consent, the Commission suspended Mr. Friend's broker's license for six months effective August 1, 1988. The Commission then suspended its Order and placed Mr. Friend on probation for one year. The Commission found that Mr. Friend had acknowledged in a contract of sale, the receipt of an \$8,000 deposit but that there was no record of this deposit having been received. Mr. Friend neither admitted to nor denied this allegation.

WILMA G. HARDIN (Morehead City) - By Consent, the Commission revoked Ms. Hardin's salesman's license effective August 16, 1988. The Commission found that Ms. Hardin had failed to deposit trust funds in a trust account and converted the funds to her own use.

PATRICIA C. HELTON (Monroe) - By Con-

sent, the Commission suspended Ms. Helton's salesman's license for six months effective August 15, 1988. The Commission found that Ms. Helton had made a negligent omission of a material fact by failing to inform prospective purchasers that a listed property had been previously damaged by fire. The Commission also found that Ms. Helton had failed to maintain an earnest money deposit in a trust account by disbursing it while it was under dispute between the parties.

HAROLD C. HINKLE (Dare County) - The Commission revoked Mr. Hinkle's salesman's license effective July 1, 1988. The Commission found that Mr. Hinkle had misrepresented a time share developer's ability and intent to deliver a lien-free time share instrument and had failed to give public offering statements to prospective purchasers. The Commission also found that Mr. Hinkle had diverted escrow monies from the developer to pay sales commissions and that he had acted as a real estate salesman without the personal and adequate supervision of a broker.

THOMAS CLAUDE LOWERY and CLAUDE LOWERY REAL ESTATE, INC. (Forest City) - By Consent, the Commission reprimanded Mr. Lowery and the corporation Claude Lowery Real Estate, Inc. for inaccurately reporting on closing statements the balance of an existing loan and the fact that the loan was assumed. Mr. Lowery did not admit that either he or the corporation was acting as a real estate broker in the transaction.

DOUGLAS L. MCMULLIN (Dare County) - The Commission suspended Mr. McMullin's salesman's license for one year effective July 1, 1988. The Commission then suspended its Order and placed Mr. McMullin on probation for one year. The Commission found that Mr. McMullin had misrepresented a time share developer's ability and intent to deliver a lien-free time share instrument and had failed to give public offering statements to prospective purchasers. The Commission also found that Mr. McMullin had acted as a real estate salesman without the personal and adequate supervision of a broker.

THERESA S. NICHOLS (Wilson) - By Consent, the Commission reprimanded Ms. Nichols for acting as a real estate salesman after the expiration of her real estate license.

BOBBY L. RUCKER (Dare County) - The Commission revoked Mr. Rucker's salesman's license effective July 1, 1988. The Commission found that Mr. Rucker had misrepresented a time share developer's ability and intent to deliver a lien-free time share instrument and had failed to give public offering statements to prospective purchasers. The Commission also found that Mr. Rucker had diverted escrow monies from the developer to pay sales commissions and that he had acted as a real estate salesman without the personal and adequate supervision of a broker.

SUMMER TIME SHARES, INC. (Burnsville) - By Consent, the Commission fined Summer Time Shares, Inc., developer of the time share Alpine Village, \$1,000 for failing to deliver public offering statements to time share purchasers. The Commission noted, however, that the corporation did not act with any intent to violate the Time Share Act, in that the purchasers who did not receive public offering statements had previously purchased time shares from the corporation and had, at that time, received public offering statements.

WOODROW W. THOMASSON, JR. (Raleigh)

-By Consent, the Commission suspended Mr. Thomasson's broker's license for one year effective December 1, 1988. Thirty days of the suspension are to be active and one year on probation on condition that he complete a Real Estate Law Course. The Commission found that Mr. Thomasson, during a probationary period from a previous violation of the Real Estate License Law, had advertised a property listed with him without identifying it as the advertisement of a real estate firm. The Commission also found that he had failed to furnish a copy of a lease-option agreement to the prospective tenant-optionee and had failed to retain a copy for his records.

WADDELL PROPERTIES, INC. and WADDELL BENEFIT PLANS, INC. (Chapel Hill) - By Consent, the Commission revoked the corporation licenses of Waddell Properties, Inc. and Waddell Benefit Plans, Inc. effective September 1, 1988 for acting as corporate real estate brokers after their real estate licenses had expired. The corporations did not admit to any specific act of misconduct.

THOMAS B. WAHL (Burnsville) - By Consent, the Commission reprimanded Mr. Wahl for failing, as developer and project broker for a time share project, to deliver public offering statements to time share purchasers. The Commission noted, however, that Mr. Wahl did not act with any intent to violate the Time Share Act, in that the purchasers who did not receive public offering statements had previously purchased time shares from Mr. Wahl and had, at that time, received public offering statements.

NANCY W. WILLIAMS (Dare County) - The Commission suspended Mrs. Williams' salesman's license for six months effective July 1, 1988. The Commission then suspended its Order and placed Mrs. Williams on probation for six months. The Commission found that Mrs. Williams had misrepresented a time share developer's ability and intent to deliver a lien-free time share instrument and had failed to give public offering statements to prospective purchasers. The Commission also found that Mrs. Williams had acted as a real estate salesman without the personal and adequate supervision of a broker.

SHELTON H. WILLIAMS (Dare County) - The Commission suspended Mr. Williams' salesman's license for six months effective July 1, 1988. The Commission then suspended its Order and placed Mr. Williams on probation for six months. The Commission found that Mr. Williams had misrepresented a time share developer's ability and intent to deliver a lien-free time share instrument and had failed to give public offering statements to prospective purchasers. The Commission also found that Mr. Williams had acted as a real estate salesman without the personal and adequate supervision of a broker.

MILDRED T. WRIGHT (Monroe) - By Consent, the Commission suspended Ms. Wright's broker's license for six months effective September 15, 1988. The Commission then suspended its Order and placed Ms. Wright on probation for one year on condition that she complete the Commission's Trust Account Course. The Commission found that Ms. Wright as Broker-In-Charge had failed to actively and personally supervise the acts of a salesman in a manner which would reasonably assure that the salesman performed all acts for which a real estate license is required.

(Continued on page 12)

ADVANCE RESERVATION PAYMENTS MAY FALL UNDER TENANT SECURITY DEPOSIT ACT

Understandably, owners of resort rental property would like to "smooth" the cash flow for their properties during the "off-season." Accordingly, many real estate agents and property managers have assisted them by collecting "advance rents" or "reservation deposits" and disbursing them to the owners as soon as they are received.

For several years, the Real Estate Commission has advised licensees in the resort industry that the early disbursement of advance rents to landlords was permissible under the Real Estate License Law and Commission Rules if the tenant consents to such early disbursement. But the Commission has not encouraged this practice, recognizing that the agent may incur liability and possible damage to his reputation should the owner default and fail to return money to the tenant.

However, the North Carolina Attorney General's Office has now advised the Commission that, under certain circumstances, these payments may be subject to the Tenant Security Deposit Act (Article 6, Chapter 42, N.C.G.S.)

The Attorney General concluded that where funds are collected for purposes other than the simple payment of rent, they may fall under the definition of "security deposit," and must, therefore remain in a designated trust or escrow account until the premises are vacated by the tenant.

To determine whether the funds are "rents" or whether they, in fact, constitute a "security deposit," each case must be examined individually and a complete reading of the entire rental agreement performed. However, the funds will probably be considered "security deposits" under the Tenant Security Deposit Act if:

1. The tenant would forfeit the funds if he fails to pay the balance of the rent; or
2. The owner or his agent may, in his discretion, deny the tenant possession of the premises; or
3. The funds are referred to or described in the rental agreement as a "deposit."

Licensees who engage in the advance dis-

REAL ESTATE COMMISSION AND HUD SIGN AFFIRMATIVE FAIR HOUSING STATEMENT OF INTENT

The North Carolina Real Estate Commission and the United States Department of Housing and Urban Development (HUD) have entered into an Affirmative Fair Housing Statement of Intent for the purpose of ensuring that opportunities in the real estate field are equally available to all persons regardless of minority status and that persons in the real estate business are informed of and held to their responsibilities under the fair housing laws. Under this Statement, the Commission and HUD will share information and HUD will render technical assistance to the Commission in furtherance of the Statement's objectives. ☐

bursement of funds should carefully review their documents, and if the documents provide for the collection of funds for purposes other than the simple payment of rent, then they should take necessary measures to bring their practices into compliance with law. ☐

DISCIPLINARY ACTION

(Continued from Page 11)

WRIGHTSVILLE BEACH REALTY, INC. (Wrightsville Beach) - By Consent, the Commission suspended the corporate real estate broker's license of Wrightsville Beach Realty, Inc. for five years effective November 3, 1988. The Commission then suspended its Order and placed the corporation on probation for five years on condition that the previous Broker-In-Charge not be associated in any capacity with the corporation; that the corporation shall inform all clients of the Commission's action; and that the corporation undertake all accounting practices necessary to comply with the Real Estate License Law and Rules, including furnishing the Commission monthly reports as to its progress. The Commission found that the corporation, while under the control of a previous Broker-In-Charge, had failed to accurately account for, remit, and maintain adequate and accurate records regarding the funds of others, and had failed to deposit and maintain such funds in a designated trust account. ☐

EDUCATION & LICENSING NEWS

(Continued From page 9)

Violations of the License Law and Commission rules which are discovered in connection with a salesman's application for a broker license may result in disciplinary action against both the salesman and the current and former Brokers-In-Charge.

What Is A License Suspension?

Disciplinary action taken by the Real Estate Commission against a licensee sometimes involves the suspension of the salesman or broker's real estate license. What is the effect of a license suspension?

When a salesman or broker's license is suspended, the licensee is prohibited from engaging in real estate brokerage activities during the period of the suspension specified in the Real Estate Commission's Order. This means that the licensee CANNOT:

- receive payment from the Broker-In-

Charge for referring prospects during the period of the suspension;

- allow his or her name to appear on "For Sale" signs or other advertising;
- attend closings on sales under contract (but not closed) at the time the suspension goes into effect;
- solicit new listings;
- continue to service listings of prospects obtained prior to suspension;
- locate properties for new purchasers; or
- engage in any other traditional real estate brokerage services.

Licensees whose licenses have been suspended may resume real estate brokerage activity when the period of license suspension ends, provided that they have fulfilled any other conditions imposed upon them in the Order of Suspension. However, licensees who engage in real estate brokerage activities prior to the expiration of the suspension period are subject to further disciplinary action by the Commission. ☐

75,000 copies of this public document were printed at a cost of 22 cents per copy.

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Greetings*

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Commission and Staff*