

# **Real Estate Bulletin**

# **VOLUME 1**

# FALL QUARTER, 1970

REAL ESTATE LICENSING BOARD

# NUMBER 3

**New Board Member** 

NORTH CAROLINA



# BRANTLEY POOLE

Brantley Poole of Raleigh was recently appointed by Governor Bob Scott to the North Carolina Real Estate Licensing Board for a three year term expiring on July 31, 1973.

Mr. Poole is co-owner of Poole Realty Company. He is a member of the National Association of Realtors and the Raleigh Board of Realtors and past secretary and treasurer of the Raleigh Board. He has also served as chairman and vice chairman of the Legislative and Licensing Law Committee of the North Carolina Association of Realtors.

Mr. Poole is active in civic affairs and is currently a member of the Board of Directors of the Capital City Civitan Club and the Raleigh Y.M.C.A. He has also served as chairman of the Wake County Heart Fund, coached little league baseball, football and basketball for several years, and is now serving as vicepresident of the Sherwaod-Bates Elementary School P.T.A.

# NEW EXAM

Starting in January 1971 a new uniform type of examination will be inaugurated in North Carolina and Virginia for real estate broker and salesmen licenses. Several other states will shortly thereafter also begin using the exam.

The examination was developed by the Educational Testing Service (ETS) of Princeton, New Jersey, in collaboration with the North Carolina Real Estate Licensing Board and the Real Estate Commissions of the several states.

The examination will be given on the fourth Tuesday of every other month for brokers and on the fourth Wednesday of every month except December for salesmen. A thirty day filing date will be established for both exams. ETS will grade the papers by computer.

Consideration is also being given to the possibility of establishing a second examination center which would be located in the Charlotte area. Exams would then be given simultaneously in two centers.

The Licensing Board is confident the new examination will prove to be a large step towards the professionalization of the real estate business in North Carolina.

Mr. Poole served in the U. S. Navy for two years in the Pacific area. He attended public schools in Raleigh, Blue Ridge School for Boys in Hendersonville, N. C., and the University of North Carolina at Chapel Hill.

He is married to the former Elizabeth Griffin of Bunn, N. C., and they have two sons and a daughter.

Mr. Poole succeeds Kenneth R. Smith, whose term on the Board expired July 31, 1970.

#### **Administrative Assistant**



#### **BLANTON LITTLE**

The Licensing Board takes pleasure in announcing that Blanton Little of Raleigh has been employed as Administrative Assistant to J. F. Schweidler, Secretary-Treasurer of the Board. Mr. Little has recently taken early retirement from the Prudential Insurance Company of America after having served the Real Estate Investment Department of that company for a period of twenty-four years in the various capacities of Mortgage Loan Inspector, Mortgage Loan Appraiser, Reviewing Appraiser, Supervising Appraiser, and Senior Appraiser. Mr. Little began his duties with the Licensing Board on September 8.

Mr. Little is a native of North Carolina, having been raised in Albemarle. He graduated from Albemarle High School and from Davidson College, where he majored in Economics and Political Science. He served as a Naval Officer in World War II.

He is married to the former Lillie Bradshaw of Wilson County, and they have one son, Blanton, Jr.

# **REAL ESTATE BULLETIN**

Published quarterly as a service to real estate licensees to promote a better understanding of the Real Estate Licensing Law, Rules and Regulations, and proficiency in ethical real estate practice.

#### NORTH CAROLINA REAL ESTATE LICENSING BOARD

813 BB&T Bldg.

Raleigh, North Carolina 27602

Robert W. Scott, Governor

#### BOARD MEMBERS

| John W. Olive, Chm A | Nount Airy  |
|----------------------|-------------|
| J. Bart Hall, V. Chm | Belmont     |
| A. P. Carlton        | Greensboro  |
| J. Toliver Davis     | Forest City |
| Brantley Poole       | Raleigh     |
| J. F. Schweidler So  | ec'yTreas.  |
| Blanton Little Ad    |             |

# CHAIRMAN'S COMMENTS

Your Board has now completed its move to expanded quarters at 813 Branch Banking and Trust Building in Raleigh. You are cordially invited to visit the office at any time you are in the Capital city. The Board and entire staff welcome you.

With over 10,000 licensees in the state, the North Carolina Real Estate Licensing Board has found it necessary to enlarge its staff as well as its quarters. We are fortunate to have added Mr. Blanton Little, who will serve as assistant to the Secretary-Treasurer, Blanton is a native of Stanly County and a long time resident of Raleigh. He is well qualified for his new position. He is a Davidson graduate and has over twenty years experience in the fields of appraising and lending on residential, farm, and commercial properties.

Each member of the North Carolina Real Estate Licensing Board and staff dedicates himself to the protection of the interest of the public. We will continue to work for the strengthening of the profession by fair and impartial administration of the legislation and rules and regulations under which we operate.

Best wishes,

J. W. Olin

# NORTH CAROLINA LICENSEES - A COMPARISON

Do we have too many people licensed as brokers and salesmen in North Carolina as claimed from time to time by some licensees? The statistics compiled in the table below provide an interesting answer.

The table is based on preliminary 1970 census figures matched with license totals furnished by the National Association of Real Estate License Law Officials to show the number of real estate licensees per 1000 population in each state and the District of Columbia.

The results show that New Hampshire leads with 10.25 licensees per 1000 population and Mississippi is lowest with 1.20. North Carolina is eighth lowest with 1.97. The average for all the jurisdictions is 3.99.

| State                  | 1970<br>Population        | Total Licensees<br>As of 12/31/69 | Number Per<br>1000 Population |
|------------------------|---------------------------|-----------------------------------|-------------------------------|
| California             | 19,697,000                | 152,179                           | 7.73                          |
| New York               | 18,446,000                | 73,377                            | 3.98                          |
| Pennsylvania           | 11,842,000                | 31,887                            | 2.69                          |
| Illinois               | 11,125,000                | 44,485                            | 4.00                          |
| Texas                  | 10,981,000                | 52,729                            | 4.80                          |
| Ohio                   | 10,542,000                | 42,561                            | 4.04                          |
| Michigan               | 8,778,000                 | 31,916                            | 3.64                          |
| New Jersey             | 7,236,000                 | 31,212                            | 4.31                          |
| Florida                | 6,673,000                 | 55,767                            | 8.36                          |
| Massachusetts          | 5,626,000                 | 51,278                            | 9.11                          |
| Indiana                | 5,142,000                 | 20,064                            | 3.90                          |
| North Carolina         | 4,962,000                 | 9,759                             | 1.97                          |
| Missouri               | 4,688,000                 | 25,311                            | 5.40                          |
| Virginia               | 4,543,000                 | 16,539                            | 3.64                          |
| Georgia                | 4,492,000                 | 12,048                            | 2.68                          |
| Wisconsin              | 4,367,000                 | 14,219                            | 3.26                          |
| Maryland               | 3,877,000                 | 15,614                            | 4.03                          |
| Tennessee              | 3,839,000                 | 7,923                             | 2.06                          |
| Minnesota              | 3,768,000                 | 8,800                             | 2.34                          |
| Louisiana              | 3,564,000                 | 8,464                             | 2.37                          |
| Alabama                | 3,373,000                 | 5,013                             | 1.49                          |
| Washington             | 3,353,000                 | 15,212                            | 4.54                          |
| Kentucky               | 3,161,000                 | 6,907                             | 2.19                          |
| Connecticut            | 2,988,000                 | 21,071                            | 7.05                          |
| lowa                   | 2,790,000                 | 9,927                             | 3.56                          |
| South Carolina         | 2,523,000                 | 4,062                             | 1.61                          |
| Oklahoma               | 2,498,000                 | 9,878                             | 3.95                          |
| Kansas                 | 2,222,000                 | 9,841                             | 4.43                          |
| Colorado               | 2,196,000                 | 14,253                            | 6.49                          |
| Mississippi            | 2,159,000                 | 2,592                             | 1.20                          |
| Oregon                 | 2,056,000                 | 9,481                             | 4.61                          |
| Arkansas               | 1,886,000                 | 3,702                             | 1.96                          |
| Arizona                | 1,752,000                 | 12,822                            | 7.32                          |
| West Virginia          | 1,702,000                 | 2,137                             | 1.26                          |
| Nebraska               | 1,468,000                 | 6,386                             | 4.35                          |
| Utah                   | 1,061,000                 | 2,480                             | 2.34                          |
| New Mexico             | 998,000                   | 2,839                             | 2.84                          |
| Maine                  | 977,000                   | 3,220                             | 3.30                          |
| Rhode Island           | 922,000                   | 3,520                             | 3.82                          |
| District of Columbia   | 801,000                   | 5,542                             | 6.92                          |
| Hawaii                 | 749,000                   | 4,890                             | 6.53<br>10.25                 |
| New Hampshire<br>Idaho | <b>723,000</b><br>698,000 | 7,408<br>2,042                    | 2.93                          |
| Montana                | 682,000                   | 1,485                             | 2.18                          |
| South Dakota           | 661,000                   | 1,470                             | 2.22                          |
| North Dakota           | 611,000                   | 1,062                             | 1.74                          |
| Delaware               | 543,000                   | 1,191                             | 4.56                          |
| Nevada                 | 482,000                   | 1,687                             | 3.50                          |
| Vermont                | 438,000                   | 1,964                             | 4.49                          |
| Wyoming                | 329,000                   | 1,206                             | 3.67                          |
| Alaska                 | 295,000                   | 552                               | 1.87                          |

# ATTORNEY GENERAL'S OPINION

QUESTIONS: 1. Is a corporation which maintains and operates a golf club and related facilities required to use the services of a licensed real estate broker or salesman for the sale of a golf club membership, which membership includes the sale of a lot?
2. Is the corporation mentioned in Question 1 required to secure the services of a licensed broker or salesman (1) in event the corporation, for a fee, sells a member's lot at his request or (2) in the event the corporation, for a fee, rents or leases a member's house?

#### CONCLUSIONS: 1. No.

2. Yes.

**OPINION:** With respect to Question 1, G. S. 93A-2(c) provides, in part, that no real estate broker's or salesman's license is required for a corporation which, as owner, sells its own real estate.

With respect to Question 2, G. S. 93A-2(a) provides:

"A real estate broker within the meaning of this chapter is any person, partnership, association, or corporation, who for a compensation or valuable consideration or promise thereof lists or offers to list, sells or offers to sell, buy or offers to buy, auctions or offers to auction (specifically not including a mere crier of sales), or negotiates the purchase or sale or exchange of real estate, or who leases or offers to lease, or who sells or offers to sell leases of whatever character, or rents or offers to rent ony real estate or the improvement thereon, for others." (Emphasis added.)

Thus the lease or rental of a member's house by the corporation for a fee clearly falls within the statutory definition of a real estate broker.

It is noted that the corporation here involved was organized as a non-profit corporation under Chapter 55A of the General Statutes. Whether the corporation was organized for profit under Chapter 55 or as a nonprofit corporation would not affect the conclusions made herein.

## BOARD MEMBER INVENTOR

Licensing Board member, Brantley Poole of Raleigh, has just been issued patent no. 3,531,889 on a "TOY HOOP GUIDE AND PROPELLING DEVICE." The invention relates to an improved guide stick for propelling a play hoop at very high speeds with excellent control. Congratulations to Mr. Poole on his ingenuity.

#### FORMER BOARD MEMBER PASSES

Hugh B. Mills, New Bern, former member of the Licensing Board died on September 4, 1970. Hugh was appointed to the Board on August 8, 1957, by Governor Luther Hodges, as one of the original five Board members.

#### DECEMBER EXAM

An extra examination has been scheduled for December 18, 1970. Contact the Board office for applications.

#### **REALTOR OF THE YEAR**

At the recent annual convention of the North Carolina Association of Realtors in Asheville, Licensing Board member A. P. "Red" Carlton was highly honored by being chosen North Carolina Realtor of the Year. In 1969, he was chosen Greensboro Realtor of the Year.

#### FORMAT CHANGED

We have received a number of inquiries as to whether the Bulletin is published monthly or quarterly. To avoid any further confusion, we have decided to change the heading on the Bulletin to show the quarter instead of the month of publication. This issue is designated "Fall Quarter 1970." Succeeding issues will be published for the Winter, Spring, and Summer Quarters.

#### LICENSE STATISTICS

| Licensees as of September 30, 1970<br>Brokers 8,155<br>Salesmen 2,292             |
|---|
| 10,447<br>Examination — July 1970   |
| Pessed Failed<br>Brokers 154 86<br>Salesmen 110 33<br>Examination August 1970     |
| Passed Failed<br>Brokers 136 57<br>Salesmen 94 35<br>Examination — September 1970 |
| Passed FailedBrokers51Salesmen8326  |

# LICENSES SUSPENDED-REVOKED

CURTIS V. JOHNSON—Selma broker—suspended one year G. S. 93A-6(9)

#### NON-RESIDENT LICENSEES

According to the records of the Licensing Board, 541 licenses are held by residents of other states. Virginia leads with 247 licensees. Others include 83 in South Carolina, 49 in Georgia and 30 in Tennessee. These persons were licensed either by reciprocity or as residents of North Carolina who subsequently moved to other states.

#### STATE GOVERNMENT REORGANIZATION

The Governor's Committee on State Government Reorganization is developing recommendations to implement a constitutional amendment which, if approved by the people of North Carolina in the November general election, will require the reduction of the number of state agencies to 25 or fewer by 1975.

The amendment states that regulatory quasi-judicial and temporary agencies may, but need not, be allocated within the 25 principal departments. It has been suggested that the majority of the licensing boards be excluded from consideration by the Governor's Committee. Accordingly, the North Carolina Real Estate Licensing Board has been informed that it will not be included in the Committee's reorganization recommendations to the Governor.

# REGISTRATION OF SERVICE MARKS IN NORTH CAROLINA

## CLYDE SMITH Deputy Secretary of State

The adoption of the New North Carolina Trademark Registration Act by the 1967 General Assembly modernized an antiquated statute and opened new areas of coverage which had not been available previously. The former law which had been in effect since 1901 covered only marks which were affixed to goods bought and sold in the market. Marks which identified services were not subject to registration. Thus a trademark which was used by a manufacturer to identify dry cleaning equipment could be registered, but a service mark used to identify the dry cleaning services performed with that equipment could not be registered. However, owners of service marks were not without protection; since they had certain rights under the common law, but the advantages to be derived from public registration were not available to them on the state level. Registration under federal law could only be obtained if the mark were used in interstate commerce

The North Carolina Trademark Registration Act which became effective January 1, 1968, provides for registration of service marks as well as trademarks. The Act defines a service mark as "a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others."

Registration is by an application to the Secretary of State on a form furnished by his office. The registration fee is \$10.00, and the registration is effective for a ten year period. At the end of ten years, the registration may be renewed for additional ten year periods as long as the mark is in use. Registrants are notified by the Secretary of State and furnished forms for renewal six months prior to the expiration of their registrations.

Registration is denied to a mark if it consists of or comprises (a) im-

moral, deceptive or scandalous matter: (b) matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute; (c) the flag or coat of arms or other insignia of the United States, or of any state or municipality, or of any foreign nation, or any simulation thereof; (d) the name, signature or portrait of any living individual, except with his written consent; or (e) consists of a mark which (1) when applied to the goods or services of the applicant, is merely descriptive or deceptively misdescriptive of them, or (2) when applied to the goods or services of the applicant, is primarily geographically descriptive or deceptively misdescriptive of them, or (3) is primarily merely a surname; or (f) consists of or comprises a mark which so resembles another mark or trade name as to cause confusion.

A significant area which is not covered by the registration provisions of the North Carolina Trademark Registration Act is that of trade names. A trade name is "a word, name, symbol, device or any combination thereof used by a person to identify his business, vocation or occupation and distinguish it from the business, vocation or occupation of others." In order to be subject to registration a mark must identify the source of either goods or services. However, it is possible for a trade name to function as a trademark or service mark if used in an appropriate manner.

The classification of goods and services established in the North Carolina Trademark Registration Act is based on the classification used by the United States Patent Office, If a mark is used in connection with goods or services which fall under more than one of these classifications, separate applications must be submitted for each class. The Classes of services are fewer and much less specific than those for goods, and it is often difficult for a person not familiar with trademark practice to select the proper class. However, it appears that the proper class for a mark identifying the services of agents in selling real estate would be Class 101, Advertising and Business, while services of agents in selling insurance policies would be under Class 102, Financial and Insurance.

In closing, it should be noted that registration of a trademark or service mark is not required under either federal or state law. Rights to trademarks and service marks are acquired by adoption and use—not by registration. The registration statutes merely implement common law rights and create certain procedural advantages.

# **BUM CHECKS**

Believe it or not, the Licensing Board occasionally receives a worthless check in payment of license fees. This is a violation of the Board's Rules and Regulations and ground for license suspension or revocation and is being enforced by the Board.

NORTH CAROLINA REAL ESTATE LICENSING BOARD ~ 0. BOX 266 R/ \$7602

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