



REAL ESTATE BULLETIN

Volume 33 • February 2003 • Number 3

Billie J. Mercer Award

Commission Establishes Award For 'Excellence In Education'

To recognize excellence in the field of real estate education, the Real Estate Commission will begin presenting the *Billie J. Mercer Excellence in Education Award* annually to the person selected by the North Carolina Real Estate Educators Association as its "Educator of the Year."



The award was established in memory of Mrs. Mercer who, as a member and former Chair of the Commission, was dedicated to furthering the education and knowledge of real estate practitioners and persons entering the real estate business.

The trophy, which will be presented at the Association's spring meeting, will be engraved with the recipient's name and remain on display in the Commission office.

Wilson Leaves Commission

Real Estate Commission member and former Chairman Lanny T. Wilson (Wilmington) has resigned as a member of the Commission.

A member of the State Board of Transportation, Mr. Wilson was also recently appointed by Governor Easley to the newly created North Carolina Turnpike Authority.

The Commission members joined Governor Easley in thanking Mr. Wilson for his leadership and service to North Carolina.

License Law Amendment Shortens Fee-Only Reinstatement Period

A recent amendment to the Real Estate License Law has shortened the period of time within which, by merely paying a fee, you may reinstate an expired license. Now, if you fail to renew your license by June 30 of any year, you only have until the following December 31 (i.e., six months) to reinstate it merely by paying the prescribed fee.

The new reinstatement fee is \$55 regardless of how long your license has been expired (whether one day, one year, three years, etc.).

If you fail to reinstate your license within this six-month period, the Commission may consider you as never having been licensed and, therefore, subject you to the requirements for original licensure—including the license examination. Accordingly, the Commission has adopted the following guidelines:

If your license has been expired for more than six months but not more than three years, you must either (1) pass the current license examination; or (2) complete the 67-hour Salesperson Prelicense Course within one year before applying to reinstate a salesperson license (or the 60-hour Broker Prelicense Course to reinstate a broker license); or (3) possess an active real estate license in another state (a broker license to reinstate a North Carolina broker license).

See License, page 3



Governor Easley Greets Commission

Governor Michael F. Easley visited recently at the State Capitol with members of the Real Estate Commission. Shown (l. to r.) are Commission members Marsha H. Jordan, Mona S. Hill, Wanda J. Proffitt, Raymond A. Bass, Jr., Chairman Allan R. Dameron, Lanny T. Wilson, Governor Easley, Commission Executive Director Phillip T. Fisher, Sang J. Hamilton, Sr., and M. Rick Watts. Vice-Chairman William C. Lackey, Jr., is not pictured.

REAL ESTATE BULLETIN

Published as a service to real estate licensees to promote a better understanding of the Real Estate License Law and Commission rules, and proficiency in 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 Commission's Real Estate Bulletin.

NORTH CAROLINA REAL ESTATE COMMISSION

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P. O. Box 17100
Raleigh, North Carolina 27619-7100
Phone (919) 875-3700

Michael F. Easley, Governor

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Joan H. Floyd	Consumer Protection Officer
Peter C. Evans, III	Information Officer
Carolyn A. Haase	Information Officer

Editor-In-Chief

Phillip T. Fisher

Editor

Robert L. Forshaw



People

Bart H. Allen has assumed the position of Auditor/Investigator in the Auditing and Investigations Division. He performs field investigations of licensees and audits real estate companies. Prior to joining the Commission, Mr. Allen was a Realtor with Allen Tate Co. in Charlotte, N.C. Mr. Allen has also worked in the accounting department of Belk Store Services and in Commercial Banking with Bank of America.



M. Spier Holloman has assumed the position of Auditor/Investigator in the Auditing and Investigations Division. She will investigate consumer complaints against licensees, audit trust accounts and assist the instructors of the Trust Account Courses. Prior to joining the Commission, Ms. Holloman worked in real estate sales and rentals. She also served on the Grievance and Professional Standards committees for her local board.



To request a speaker from the Commission, please submit the "Request for Program Presenter" form available on the Commission's Web site, www.ncrec.state.nc.us.

Appearances

Miriam J. Baer, Assistant Director of Legal Services, participated in a questions and answer session for property managers and presented a program on topics of current interest at the North Carolina Association of REALTORS® Annual Convention; and spoke to a property management seminar of the Fayetteville Association of REALTORS® and its general membership.

Blackwell M. Brogden, Jr., Chief Deputy Legal Counsel, spoke to the Hendersonville Board of REALTORS®.

Stephen L. Fussell, Consumer Protection Officer, spoke to the Roanoke Rapids Board of REALTORS® on broker price opinions and other topics of interest to real estate agents.

Commission Receives Four Top Industry Awards

As what one speaker described as "the North Carolina Awards Show," the Real Estate Commission won top honors in four separate categories at the Annual Conference of the Association of Real Estate License Law Officials (ARELLO). The Commission received ARELLO's "Investigator of the Year" award, "Communication Excellence Award" for its Real Estate Bulletin newsletter, and two education awards recognizing its Broker-in-Charge and Trust Account courses. Shown are (left to right) Auditor/Investigator Robin Tanner,

Publications Officer Robert Forshaw, Commission Vice Chairman William Lackey, Legal Education Officer Patricia Moylan, Commission Chairman Allan Dameron and Director of Audits and Investigations Emmet Wood.





License

(Continued from page 1)

If your license has been expired for more than three years, you must satisfy all prelicense education and examination requirements unless you hold a real estate license in another state (a broker license to reinstate a North Carolina broker license).

Most persons who allow their licenses to expire simply forget to renew them on time. Others think that licenses on inactive status do not require renewal each year. And still others change real estate firms and/or their residence addresses without notifying the Commission. If you place your license on inactive status, you must renew it each year and pay the renewal fee to preserve the right to activate it later (after making up any continuing education deficit). Also, be careful to notify the Commission promptly of any business or residence address change so you will receive your renewal notice. Otherwise, you may find yourself having to repeat a prelicense course and/or retake the license examination.

SCHEDULE TO RENEW, REINSTATE LICENSE	
DATE	LICENSE STATUS
June 30, 2003	License renewal deadline
July 1, 2003	License expiration period begins
December 31, 2003	Last day to reinstate expired license with \$55 fee only
January 1, 2004 thru June 30, 2006	Period to reinstate by exam, completing prelicensing course or possessing other state's active real estate license
July 1, 2006	Reinstate as new licensee by prelicense education and exam or as active licensee in another state

March 11
(Southport)
April 16
May 14
June 18
July 16
(Asheville)

All meetings, unless otherwise noted, begin at 9 a.m. and are held in Raleigh in the Commission's Conference Room at 1313 Navaho Drive (27609). Occasionally, circumstances necessitate changes in meeting times and locations.

2003 REGISTRATION FORM

BASIC TRUST ACCOUNT PROCEDURES COURSE MONTHLY - RALEIGH

CONTINUING EDUCATION ELECTIVE CREDIT: FOUR HOURS
TIME: 1:00—5:00 P.M.

LOCATION: MCKIMMON CENTER AT NCSU

TUITION: \$45.00

Each session is limited to 40 participants, scheduled according to the date the registration information is received.

The fastest way to register is online at www.ncrec.state.nc.us.

Otherwise, complete and mail this form with a check for the tuition fee to the NC Real Estate Commission at the address below. Receipt must be no later than seven (7) days prior to the date of the preferred session. (Make additional copies, if needed.) Walk-ins accepted on a space available basis only.

- | | | |
|--------------------------------------|-------------------------------------|-------------------------------------|
| <input type="checkbox"/> March 6 | <input type="checkbox"/> April* | <input type="checkbox"/> May 6 |
| <input type="checkbox"/> June 10 | <input type="checkbox"/> July 1 | <input type="checkbox"/> August 5 |
| <input type="checkbox"/> September 2 | <input type="checkbox"/> October 1 | <input type="checkbox"/> November 4 |
| | <input type="checkbox"/> December 2 | |

Name _____

Address _____

City _____ State _____ Zip _____

Phone () _____

☐ Broker ☐ Salesperson ☐ Bookkeeper

(Lic # _____)

*No class in April due to Trust Account Caravan. See schedule on Page 10.

Mail to: NC Real Estate Commission, Audits and Investigations Division, P. O. Box 17100, Raleigh, NC 27619-7100

Registering online is easier, faster. Just have your credit card information and license number available.



By Janet B. Thoren
Deputy Legal Counsel

I continue to offer the property for sale under this arrangement?

A: No. Although the owner has verbally permitted you to continue to advertise and offer the property for sale, you may not do so without a valid written agreement for brokerage services with the owner.

Q: I realize that I cannot offer property for sale without a written agency agreement. But can I offer it for rent?

A: No. Since September 1, 2002, Commission rules now require brokers to have written agreements for brokerage services before they can offer property for rent.

Q: I received a letter from a property owner that states "I give you and your firm permission to place a sign on my property and advertise it for sale. Although I do not know if I am ready to sell, if you want to work on it for me, go ahead and I'll look at any offers you bring." Based upon this letter, can I proceed in offering to sell the property?

A: No. Although the letter gives you the owner's permission to conduct brokerage services on his behalf, it does not contain the following elements required by Commission rule: A definite time period for the agency agreement, termination without prior notice at the expiration of the period, and specific non-discrimination language.

Q: Is there a standard listing agreement that I must use?

A: Although standard listing forms are available, many brokers are now offering limited services to sellers which are not contemplated by these forms. However, you are reminded that the agreement you use must be in writing and comply with Commission rules. It is also prudent to include in the agreement terms governing the fee you expect for your services and when the fee is earned.

Rule Changes To General Assembly

Proposed amendments to the Commission's rules have been approved by the Rules Review Commission, the legislature's independent review board and final step before submission to the General Assembly. If the Assembly makes no objection, the rules will go into effect July 1, 2003. The proposed rule changes include:

A .0107 - Amend to permit a vacation rental manager to maintain accounts payable ledgers containing specifically defined data in lieu of subsidiary ledger sheets.

A .0113 - Amend to clarify that licensees must report disciplinary actions taken against them by any governmental agency as well as criminal convictions, within 60 days.

A .0302 - Amend to prevent an individual who has applied for licensure as a real estate salesperson from applying for licensure as a real estate broker during the pendency of the salesperson license application.

A .0502 - Amend to place upon the principal broker of a firm several new

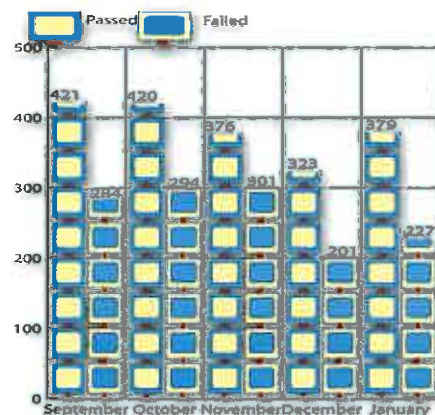
Q: The owner of a commercial subdivision has asked me to place my "for sale" sign at the entrance. Can I do so, even though I do not have a written listing agreement with him?

A: No. Advertising another's property for sale or rent requires not only permission of the owner but also a written agreement outlining the services you will provide.

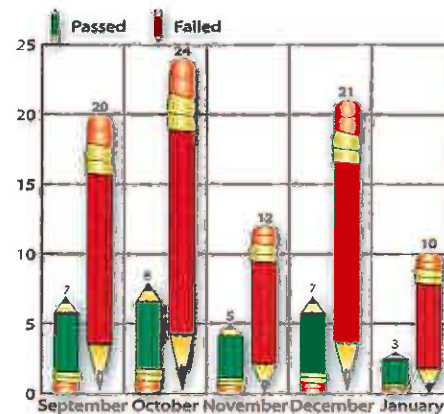
Q: I have a written listing agreement but it has expired. Nevertheless, the owner tells me I can leave my sign up and she will pay me a commission if the property is sold through me. Can



By Computer



By Paper and Pencil



responsibilities, which include the duty to secure and preserve the transaction and trust account records of the firm whenever there is a change of Broker-in-Charge and the duty to notify the Commission if these accounts are out-of-balance or have not been properly reconciled.

E .0203 - Amend to require that video tapes provided by update course instructor applicants be made within the previous year.

Contact the Commission's rule-making coordinator, Pamela Millward, for further information or for copies of the full text of these proposed rules.

Reapplying For Exam Made Simpler, Faster

Beginning January 1, 2003, the Real Estate Commission and its examination services provider, Psychological Services, Inc. (PSI), implemented new simplified reapplication and examination rescheduling procedures for license applicants who are unsuccessful on their license examinations (or who fail to take the examination within their 90-day examination eligibility period).

These new procedures allow unsuccessful examination candidates to electronically refile their applications the day after failing an examination and to simultaneously schedule an examination retake, typically within 2-4 days.

Prior to January 1, 2003, a license applicant who was unsuccessful on his/her license examination was required to file another complete paper license application and application fee with the Commission and wait to receive a notice of examination eligibility before the applicant could contact PSI to schedule and retake the license examination.

Commission Welcomes Chilean Representative

The Real Estate Commission was recently honored by a visit from Rene Aranguiz Lezaeta, Director of Camara Nacional de Servicios Inmobiliarios Ag, Chile's preeminent real estate trade association.

Mr. Aranguiz met with the Commission's senior staff to discuss North Carolina's real estate licensing and regulatory program, and the Commission learned about efforts to establish a similar program in Chile.

The very informative meeting was arranged by Raleigh real estate broker Jose M. Serrano.



Due to the large volume of paper applications from first-time applicants that the Commission also has to process, it had become common for a repeat applicant who promptly filed another paper application with the Commission to have to wait two weeks or more before receiving a notice authorizing him/her to schedule an examination retake with PSI.



The License Law permits licensed NC salespersons to obtain a broker license simply by completing a 60-hour broker prelicense course. No additional license examination is required! During the past two years, thousands of salespersons have taken advantage of the opportunity to upgrade their salesperson licenses to broker licenses.

Do all your affiliated agents hold a broker license? If not, perhaps you should carefully consider the advantages of operating an all-broker office.

To: Brokers-In-Charge

Advantages of an All-Broker Office

- **Better-Educated Agents.** Salespersons who complete the 60-hour broker prelicense course and obtain their broker licenses should be considerably more knowledgeable about many crucial aspects of real estate practice. Generally, a better-educated agent is in a position to provide more competent assistance and advice to clients and customers, which directly results in better-served and more satisfied real estate consumers. Better-educated agents also can more effectively represent their company and reduce the company's risk associated with negligent or improper conduct.

- **Reduced Broker-in-Charge Supervisory Responsibilities.** Under the North Carolina Real Estate License Law and Commission Rules, a broker-in-charge has a substantially higher level of responsibility for the supervision of affiliated salespersons than for the supervision of affiliated brokers. An all-broker office reduces the supervisory burden imposed on a broker-in-charge. Having only brokers in the office would seem to be increasingly important in view of this reduced supervisory burden and the trend toward agents performing more functions outside the office through the use of modern communications and computer technology.

- **Greater Prestige of an All-Broker Office and Broker Licensure.** It is logical to assume that real estate consumers and agents in other real estate offices may very well hold an all-broker office in higher regard than the typical office with both brokers and salespersons. Similarly, on an individual basis, brokers would more likely command a higher level of respect and confidence than salespersons.

If you still have salespersons under your supervision, you should encourage them to improve their knowledge and level of competence by taking the broker prelicense course and obtaining their broker licenses. Contact a Commission-approved school in your area today for a schedule of broker course offerings and require your salespersons to upgrade to a broker license as soon as possible. A list of approved schools is available on the Commission's website at www.ncrec.state.nc.us.

New Q&A Publication on Earnest Money Deposits, Licensing Booklet Divided



Questions and Answers on: Earnest Money Deposits, a new Commission publication, examines issues arising from the payment of earnest money deposits prior to closing a residential real estate sales transaction. The brochure is available for \$.25 a copy.

In addition, an existing publication has been divided into two separate booklets.

Real Estate Licensing in North Carolina evolved from the old publication of the same name but with an exclusive focus on the licensing process. It contains the license application form and is free of charge.

North Carolina Real Estate License Law and Commission Rules (also including Trust Account Guidelines and Comments on the Law and Rules) is the remainder of the content that was originally in the licensing publication.

This booklet sells for \$3.

All Commission publications may be ordered online at the Commission website, www.ncrec.state.nc.us, or by mailing or faxing the appropriate publications order form found on pages 6 and 7 as well as online. The text for all publications is available on the website as well, free of charge.

FREE PUBLICATIONS

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(Working With Real Estate Agents)

Preguntas y Respuestas sobre:
(Questions and Answers On:)

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(Fair Housing)

El Depósito de Seguridad del Inquilino
(Tenant Security Deposits)

Alquiler de Inmuebles para Viviendo
(Renting Residential Real Estate)

Real Estate Licensing in North Carolina
(Contains license application)

Residential Property Disclosure Statement
(Please limit request to one copy; duplicate as needed.
Also available on the Commission's web site.)

NAME _____

ADDRESS _____

CITY/STATE/ZIP _____

Telephone _____

Email _____

Please allow 7 days from receipt of order for delivery.

**This form for
free
publications
only.**

License Applicants Must File Report Of Criminal Records

License applicants are now required to submit a criminal record report with their license application in order for the Real Estate Commission to have more complete and accurate information about their criminal history.

The Commission is responsible for determining that each license applicant possesses the honesty, truthfulness, integrity and general moral character necessary to protect the public interest and promote public confidence in the real estate brokerage business. Probably the single most important factor considered by the Commission with regard to an applicant's character is his/her criminal record. The Commission has always required applicants to voluntarily disclose all previous criminal

convictions and any pending charges, and their criminal records have been checked when deemed appropriate. The new requirement will provide the Commission with the criminal records of all applicants.

Any applicant who has resided in North Carolina during the previous seven years must submit a statewide criminal record report that shows all criminal offenses or pending charges that have been recorded in North Carolina's computerized statewide criminal record database. An applicant who has resided in another state during the past seven years must submit a separate report for each out-of-state county in which he/she has lived during that period and that report must be based on a search of the appropriate county criminal records. (Many

other states do not yet have a statewide computerized criminal record reporting system.) As in the past, applicants are still required to disclose all criminal convictions, regardless of when or where they occurred or whether they are included in the report submitted to the Commission.

Applicants are provided with a list of reporting services known to prepare reports satisfactory to the Commission. The fees charged by these reporting services for a report range from \$9 to \$22 for a North Carolina statewide report and \$5 to \$50 for an out-of-state county report.

Although this requirement increases the costs to applicants and is creating more work for the Commission, the Commission believes this is an important step that will help it better assure that the interests of real estate consumers are properly protected.

PURCHASE PUBLICATIONS

Publication	Quantity Requested	Totals
Residential Square Footage Guidelines (\$.65 per copy)	_____	\$ _____
Working With Real Estate Agents (\$.25 per copy)	_____	\$ _____
Questions and Answers on: Home Inspections (\$.25 per copy)	_____	\$ _____
Questions and Answers on: NEW Earnest Money Deposits (\$.25 per copy)	_____	\$ _____
North Carolina Real Estate License Law and Commission Rules (\$3.00 per copy)	_____	\$ _____
Amount Enclosed		\$ _____

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CITY/STATE/ZIP _____

Telephone _____

Email _____

☐ MasterCard ☐ Visa

Expiration Date

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AUDITOR'S CORNER



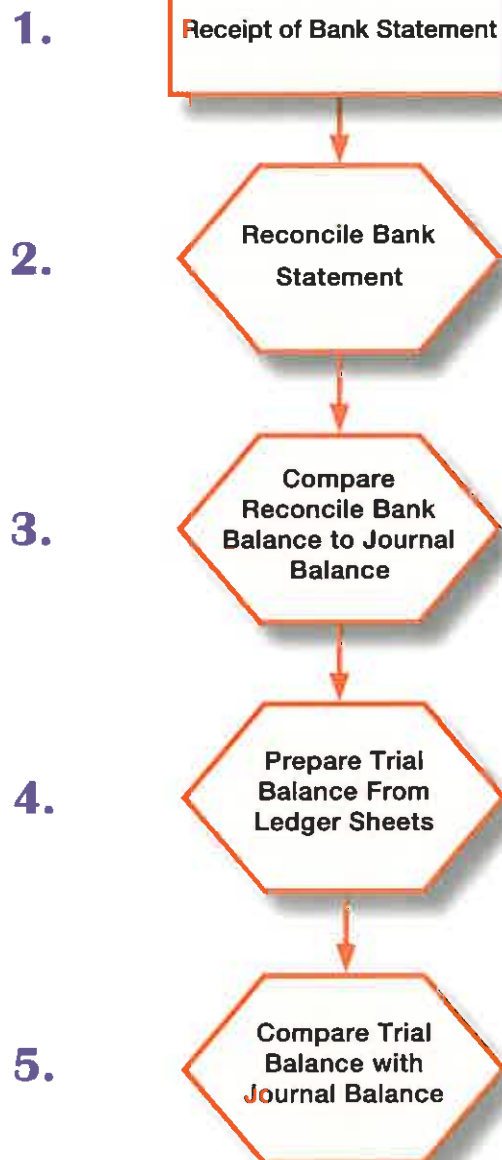
By Emmet R. Wood
Director, Audits and Investigations

(This is the third in a series of three articles about the process of maintaining trust account records. The subjects are "Deposit Cycle", "Disbursement Cycle" and "Monthly Reconciliation".)

- 1.** Upon receiving the bank statement, trace checks and deposits on the bank statement to the journal. Check off on the journal the deposits and checks that cleared on the bank statement. (See middle column on journal)
- 2.** List the checks and deposits that are not checked off on the journal (outstanding checks and deposits-in-transit) on the bank reconciliation. Hint: Review last month's bank reconciliation for outstanding checks and deposits-in-transit that did not clear on the bank statement.
- 3.** The reconciled bank balance on the bank reconciliation should equal the journal balance. These should agree before going to step 4.
- 4.** List the ledger sheets by owner or property and the balances on the ledger sheets on a trial balance.
- 5.** The total of the balances listed on the ledger sheet trial balance should equal the journal and the reconciled bank balance. These must equal before you have properly completed a trust account reconciliation in compliance with the Commission's rules.

Rental Trust Account Monthly Reconciliation

Third of a three-part series



Compliant Software Vendors

The Commission has identified software that substantially complies with the Rules and Trust Account Guidelines. Vendors currently with compliant software are:

Sales Accounting Software

- RETTS R.E.A.L. Systems, LLC

Long Term Rental Management Accounting Software

- MRI Management Reports International
- RETTS R.E.A.L. Systems, LLC

Resort Rental Management Software

- Entech Data Systems, Inc.
- First Resort
- Instant Software, Inc.
- Strategic Planning & Management, LLC

For more information, consult the Commission's website, www.ncree.state.nc.us.

1. Bank Statement

NCIB
North Carolina Insured Bank

Account Number # 123-456-7890
Statement Period: 1/1/0X-1/31/0X
Page 1 of 1

Your Realty Co., Inc.
Trust Account
132 Main Street
Anytown, NC 27000

WITHDRAWALS					
Date	Check No.	Amount	Date	Check No.	Amount
1/13/0X	101	\$ 75.00			
1/22/0X	103	\$115.00 *			

*Indicates a skip in sequential check numbers

DEPOSITS					
Date	Amount	Date	Amount	Date	Amount
1/4/0X	\$3,600.00				
1/5/0X	\$2,300.00				

OTHER DEBITS					
Date	Check No.	Amount	Description	Date	Amount
1/22/0X	DM	\$2,500.00	Non-Sufficient Funds - Check Returned		
1/31/0X	DM	\$ 25.00	Printed Check Charges		

Closing Date	Previous Balance	Deposits	Withdrawals	Other Debits	Ending Balance
1/31/0X	\$ 00.00	\$ 5,900.00	\$ 190.00	\$ 2,525.00	\$ 3,185.00

2. Bank Statement Reconciliation

Bank Account Reconciliation
Your Realty Company, Inc.
Period Ending 1/31/0X

Ending Balance from Bank Statement **A. \$ 3,185.00**

List Deposits in Transit
(Deposits posted to the journal that have not cleared the bank) **\$ 2,500.00**

Total Deposits in Transit + B. \$ 2,500.00

List Outstanding Checks
(Checks posted to the journal that have not cleared the bank)

Check	Date	Amount
102	1/20/0X	\$ 465.00
104	1/30/0X	\$ 1,000.00
		\$

Total Outstanding Checks C. \$ 1,465.00

Reconciled Bank Balance **D. \$ 4,220.00**

4. Individual Property Trust Account Ledger Sheets

NAME: Your Realty Company, Inc. Personal Funds ACCOUNT NO. _____
ADDRESS: _____ SHEET NO. _____

DATE	ITEMS	DEPOSITS	CHECKS	BALANCE
1/03/0X	OK Your Realty Company Inc. Personal Funds	OK 1 \$100.00		\$100.00
1/31/0X	OK NC Insured Bank Check-Printing Charges		DM \$25.00	\$75.00

NAME: Clay (Seller) to Thomas (Buyer) ACCOUNT NO. _____
ADDRESS: 2362 Main Street SHEET NO. _____

DATE	ITEMS	DEPOSITS	CHECKS	BALANCE
1/03/0X	OK Jack Thomas EMF	OK 1 \$2,500.00		\$2,500.00
1/22/0X	OK Jack Thomas NSF		DM \$2,500.00	\$0.00
1/31/0X	OK Jack Thomas NSF EMF Check	OK 3 \$2,500.00		\$2,500.00

NAME: Gerald Howard, Owner Clerk, Tenant ACCOUNT NO. _____
ADDRESS: 143 North Boulevard SHEET NO. _____

DATE	ITEMS	DEPOSITS	CHECKS	BALANCE
1/04/0X	OK Charles Clark Security Deposit	OK 2 \$600.00		\$600.00
1/04/0X	OK Charles Clark Jan Rent	OK 2 \$600.00		\$1,200.00
1/11/0X	OK Ajax Plumbing Repairs		DM \$75.00	\$1,125.00
1/20/0X	OK Gerald Howard Mc Jan Rent To Owner	OK 2 \$465.00		\$1,590.00
1/21/0X	OK Your Realty Co., Inc. Jan Management Fee		DM \$60.00	\$1,530.00

NAME: Allan Ward, Owner Stephens, Tenant ACCOUNT NO. _____
ADDRESS: 2500 Johnson Street SHEET NO. _____

DATE	ITEMS	DEPOSITS	CHECKS	BALANCE
1/04/0X	OK Blake Stephens Security Deposit	OK 2 \$550.00		\$550.00
1/04/0X	OK Blake Stephens Jan Rent	OK 2 \$550.00		\$1,100.00
1/21/0X	OK Your Realty Co., Inc. Jan Management Fee		DM \$55.00	\$1,045.00

3. Trust Account Journal

YOUR REALTY COMPANY, INC.
TRUST ACCOUNT JOURNAL
NC Insured Bank A/C # 123 456 789

DATE	DESCRIPTION	NUM	DEPOSITS	CHECKS	BALANCE
1/03/0X	DEPOSIT	OK 1	\$3,600.00		\$3,600.00
1/04/0X	DEPOSIT	OK 2	\$2,300.00		\$5,900.00
1/11/0X	Ajax Plumbing 143 N. Blvd. Repairs	DM		\$75.00	\$5,825.00
1/20/0X	Gerald Howard 143 N Blvd. Net Jan Rent to Owner	DM		\$465.00	\$5,360.00
1/21/0X	Your Realty Company, Inc. 1/0X Mgt Fees	DM		\$60.00	\$5,295.00
1/22/0X	Jack Thomas NSF 1362 Main St	DM		\$2,500.00	\$2,795.00
1/30/0X	F. Lee Bailey, Attorney 119 Maple Closing	DM		\$1,000.00	\$1,795.00
1/31/0X	DEPOSIT	OK 3	\$2,500.00		\$4,295.00
1/31/0X	NC Insured Bank Check-Printing Charges	DM		\$25.00	\$4,270.00

(A) - Referenced to sequentially numbered deposit tickets
(B) - Debit Memo
✓ Cleared Back

5. Trial Balance

YOUR REALTY COMPANY, INC.
TRIAL BALANCE

NC INSURED BANK A/C # 123 456 789
DATE 1/31/0X

OWNER	PROPERTY	AMOUNT
Your Realty Company, Inc.		\$75.00
Clay	1362 Main Street	\$2,500.00
Howard	143 North Boulevard	\$600.00
Ward	2500 Johnson Street	\$1,045.00
TOTAL		\$4,220.00

2003 Trust Account Caravan Registration Form

Four (4) hours continuing education credit will be awarded for completion of each course.

Boone *Quality Inn Appalachian Conference Center, 949 Blowing Rock Road*

- ☐ March 18, 2003 9 a.m. - 1 p.m. Basic Trust Account Procedures
☐ March 19, 2003 9 a.m. - 1 p.m. Trust Account Procedures for Resort Property Managers

Huntersville *Country Inn & Suites Lake Norman, 16617 Statesville Road*

- ☐ April 1, 2003 9 a.m. - 1 p.m. Basic Trust Account Procedures
☐ April 2, 2003 9 a.m. - 1 p.m. Basic Trust Account Procedures

Greensboro *Ramada Inn-Greensboro Airport, 7067 Albert Pick Road*

- ☐ April 3, 2003 9 a.m. - 1 p.m. Basic Trust Account Procedures
☐ April 4, 2003 9 a.m. - 1 p.m. Basic Trust Account Procedures

Wilmington *Coast Line Convention Center, 501 Nutt Street*

- ☐ April 7, 2003 1 p.m. - 5 p.m. Basic Trust Account Procedures
☐ April 8, 2003 9 a.m. - 1 p.m. Basic Trust Account Procedures
☐ April 9, 2003 9 a.m. - 1 p.m. Trust Account Procedures for Resort Property Managers

Fayetteville *Holiday Inn Bordeaux, 1707 Owen Drive*

- ☐ April 14, 2003 1 p.m. - 5 p.m. Basic Trust Account Procedures
☐ April 15, 2003 9 a.m. - 1 p.m. Basic Trust Account Procedures

Asheville *Holiday Inn East - Blue Ridge Parkway, 1450 Tunnel Road*

- ☐ April 22, 2003 9 a.m. - 1 p.m. Basic Trust Account Procedures
☐ April 23, 2003 9 a.m. - 1 p.m. Basic Trust Account Procedures
☐ April 24, 2003 9 a.m. - 1 p.m. Trust Account Procedures for Resort Property Managers

Kill Devil Hills *Ramada Inn Outer Banks Resort & Conference Center, 1701 South Virginia Dare Trail*

- ☐ April 29, 2003 9 a.m. - 1 p.m. Basic Account Procedures
☐ April 30, 2003 9 a.m. - 1 p.m. Trust Account Procedures for Resort Property Managers

The fastest way to register is online at www.ncrec.state.nc.us. Otherwise, please complete this form (*make copies for additional persons*) and mail with a check for the \$45 tuition fee. Each session is limited to 40 participants.

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How to Order Publications

Changes to the process of ordering publications and the implementation of new charges for certain Commission publications became effective October 1 as follows:

--To place an order, you are now able to do so on the Commission website, www.ncrec.state.nc.us, with either Visa or MasterCard.

--For mail or fax orders, the Publications Order Form (see pages 6 and 7 and the website) has been divided into two separate forms in the Bulletin. The form for publications with charges includes *Working With Real Estate Agents, Questions and Answers on: Home Inspections, Questions and Answers on: Earnest Money Deposits, Residential Square Footage Guidelines* and a new booklet containing the *NC Real Estate Law, Commission rules and Trust Account Guidelines*. Credit card ordering is now permitted when using this form, which is to be mailed to the address shown on it for fulfillment. The other form is for publications that are free of charge and should continue to be sent to the Commission.

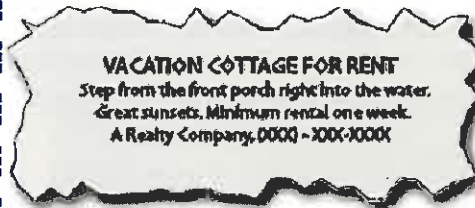
The Commission cannot accept telephone orders.

Travel Agent Referral Fees OK Under New Commission Rules

By Pamela V. Millward, Associate Legal Counsel

Before September 1, 2002, the Real Estate License Law and Commission rules forbade real estate licensees from compensating or sharing compensation with unlicensed persons for acts that require licensure by the Commission. However, in September the Commission created a narrow exception to its rules that allowed brokers to pay referral fees to travel agents for procuring a tenant for a vacation rental as defined in the North Carolina Vacation Rental Act.

Under Commission rules, eligible travel agents must be primarily engaged in the business of acting as an intermediary between persons who purchase air, land, and ocean travel services and those who provide these services. They must spend the bulk of their time arranging travel for others. In addition, individuals permitted to sell airline tickets by the Airlines Reporting Corporation (ARC) are also eligible for a referral fee under the rules.



ing Corporation (ARC) are also eligible for a referral fee under the rules.

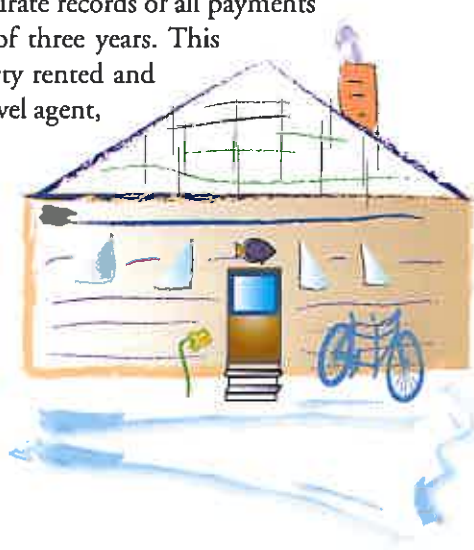
To receive compensation from a real estate broker, a travel agent:

- May only introduce the tenant to the broker and in the regular course of the travel agent's business.
- May not discuss lease conditions.
- May not negotiate the price of the rental or on behalf of the tenant.
- May not perform any other acts which normally require a real estate license.
- May not engage in brokerage on the pretext of being a travel agent.
- May not seek, or come into possession of, any other monies in connection with the vacation rental.
- May be paid only at the conclusion of the transaction and only by a duly licensed real estate broker. *Salespersons may not pay travel agents for referrals.*

As for the mechanics of making a referral, before a vacation rental agreement is created between the vacationer and the property manager, the real estate agent must provide the vacationer with a written statement advising him or her to rely only upon the agreement itself and the real estate broker's statements when deciding whether to undertake the rental agreement.

Finally, real estate brokers must keep accurate records of all payments made to any travel agent for a minimum of three years. This includes the name of the tenant, the property rented and dates of tenancy, name and address of the travel agent, and the amount of the referral.

Brokers implementing this rule change and needing further information may contact the Commission's legal division.



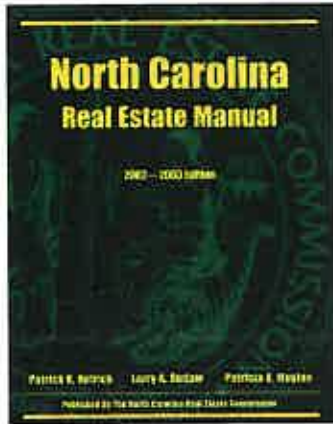
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2002-2003 Edition

NORTH CAROLINA REAL ESTATE MANUAL

The *North Carolina Real Estate Manual*, published by the Real Estate Commission, is a comprehensive reference addressing real estate law and brokerage practice, North Carolina Real Estate License Law and Commission rules. It includes updated coverage of the July 1, 2001 agency rule changes and an expanded discussion of federal Lead Based Paint Disclosure laws. It serves as the authorized textbook for the real estate broker pre-licensing course and is highly recommended for licensees, attorneys, instructors and anyone else engaged or interested in real estate law and brokerage practice.



HOW TO ORDER: ONLINE

At the Commission's web site, www.ncrec.state.nc.us, select the Manual icon to link directly with the book distributor. Follow the instructions for ordering with your MasterCard or Visa credit card.

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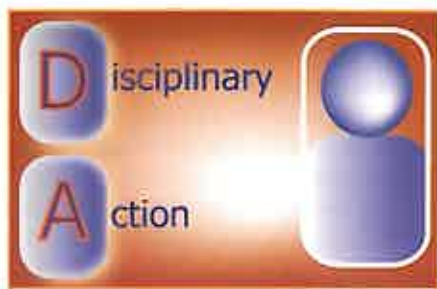
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*Manual sales price is \$34.95 plus \$2.45 sales tax and shipping. Please allow 7 days from receipt of payment for delivery.



MICHAEL J. BARKOVICH (Jacksonville) – By Consent, the Commission revoked the broker license of Mr. Barkovich effective October 1, 2002. The Commission found that Mr. Barkovich collected more than \$3,000 in cash rent payments from a tenant and failed to turn them over to the firm with which he was associated or its broker-in-charge, instead converting the funds to his own use. Mr. Barkovich neither admitted nor denied any misconduct.

RHONDA K. BATCHELOR (Wilmington) – By Consent, the Commission reprimanded Ms. Batchelor effective October 1, 2002. The Commission found that Ms. Batchelor, as a broker, listed a home and failed to disclose material facts personally known by her about the home, i.e., that it had been clad in synthetic stucco and had suffered fire damage.

BDSC PROPERTY MANAGEMENT, INC. (Calabash) – By Consent, the Commission revoked the firm license of BDSC Property Management effective December 1, 2002. The Commission found that BDSC Property Management failed to retain and maintain certain transaction and trust account records.

LEONARD R. BEAVER (Kannapolis) – By Consent, the Commission suspended the broker license of Mr. Beaver effective April 1, 2001 for a period of one year. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Mr. Beaver, as principal broker and broker-in-charge for a real estate firm, allowed the firm to engage in general contracting without first obtaining the necessary license from the North Carolina Licensing Board for General Contractors.

CAROLYN A. BERRY (Sapphire) – By Consent, the Commission reprimanded Ms. Berry effective September 12, 2002. The Commission found that Ms. Berry, when notarizing an application for a real estate license, recited that the applicant had appeared before her when, in fact, the applicant had not. Her notary public com-

Penalties for violations of the Real Estate Law and Commission rules 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.

mission was subsequently canceled due to this improper notarization.

WILLIAM E. BLACK (Durham) – The Commission revoked the broker license of Mr. Black effective October 28, 2002. The Commission found that Mr. Black, as principal broker and broker-in-charge of a property management firm, failed to keep

Licensees Must Report Convictions

Rule A.0113 requires any licensee who is convicted of a misdemeanor or felony or who has disciplinary action taken against him or her by any other professional licensing board to file a report with the Real Estate Commission.

The reporting requirement includes convictions for driving while impaired ("DWI"). The report must be filed within sixty (60) days of the final judgment or board action.

If you have questions about this rule, please call the Commission's legal division at 919-875-3700 for more information.

certain clients informed, failed to account for or remit certain moneys coming into his possession within a reasonable amount of time, failed to properly maintain and deposit in trust all money he received and failed to safeguard client funds in his possession.

HERBERT G. CAHOONE (Hampstead) – By Consent, the Commission reprimanded Mr. Cahoone effective October 1, 2002. The Commission found that Mr. Cahoone, as broker-in-charge of his own sole proprietorship, continued to market a subdivision and act as the seller's agent for lots in a residential subdivision for more than a year after the expiration of the written listing agreement with the seller.

JOHN M. CAMPBELL (Asheville) – By Consent, the Commission revoked the broker license of Mr. Campbell effective January 1, 2002. The Commission found that Mr. Campbell failed to disclose prior criminal convictions on his application for a salesperson license as well as his application for a broker license. The Commission further ordered that Mr. Campbell's subsequent application for a salesperson be granted on certain conditions.

CAROLINA PIEDMONT REALTY, INC. (Clemmons) – By Consent, the Commission revoked the firm license of Carolina Piedmont Realty effective December 15, 2002. The Commission found that Carolina Piedmont Realty failed to maintain the funds of others in a trust account and failed to promptly account for and remit those funds.

JANEISE B. COLLINS (Hampstead) – By Consent, the Commission suspended the salesperson license of Ms. Collins for a period of one year effective October 1, 2002. Three months of the suspension were active, with the remainder stayed for a probationary term. The Commission found that Ms. Collins continued to show properties after listing agreements were no longer in effect and misrepresented her agency relationship to the two owners of the properties.

DANIEL P. COUNCELL (Asheville) – The Commission revoked the broker license of Mr. Councell effective October 9, 2002. The Commission found that Mr. Councell, as principal broker and broker-in-charge of a real estate firm, failed to obtain signed lease agreements from tenants for rental units he contracted to manage and charged commissions on uncollected rent not authorized by his property management agreement. The Commission also found that Mr. Councell failed to account for the funds of others in his possession, to properly maintain and retain records relating to trust accounts and to produce trust account and transaction records requested by the Commission's auditor.

(See *Disciplinary*, page 14)

Disciplinary

(Continued from page 13)

LOU ANN EARNHARDT (Statesville) – By Consent, the Commission reprimanded Ms. Earnhardt effective June 2, 2002. The Commission found that Ms. Earnhardt failed to obtain earnest money as required by the contract and gave the buyers conflicting information concerning the validity of their contract. The Commission also found that Ms. Earnhardt was unable to produce agency disclosure documentation for a transaction in which she acted as a seller's subagent.

KAREN R. ETHERIDGE (Kitty Hawk) – By Consent, the Commission suspended the salesperson license of Ms. Etheridge effective July 1, 2001 for a period of 30 days. The Commission then stayed the suspension on certain conditions. The Commission found that Ms. Etheridge, as a listing agent, did not disclose to buyers that a neighbor claimed ownership of the private road accessing the listed property. The Commission also found that Ms. Etheridge's listing contract had expired.

L. DAVID GARDNER (Cary) – By Consent, the Commission revoked the salesperson license of Mr. Gardner effective December 1, 2002. Upon satisfaction of certain conditions, Mr. Gardner is eligible to seek and obtain the reinstatement of his license. The Commission found that Mr. Gardner failed to disclose various criminal convictions on his license application.

GEORGE W. GOSS (Durham) – By Consent, the Commission suspended the broker license of Mr. Goss effective January 1, 2001 for a period of 30 days. The Commission found that Mr. Goss, as broker-in-charge, allowed a salesperson to practice with an inactive license and failed to maintain trust account records as required by Commission rules.

GUY M. GREER (Charlotte) – By Consent, the Commission reprimanded Mr. Greer effective January 16, 2003. The Commission found that Mr. Greer, in various license applications between 1989 and 2000, failed to disclose a 1977 misdemeanor conviction. The Commission noted the Mr. Greer cooperated in the investigation.

JUANITA P. HILDENBRAND (Charlotte) – By Consent, the Commission suspended the salesperson license of Ms. Hildenbrand for a period of 30 days effective January 16, 2003. The Commission

then stayed the suspension for a probationary period of one year. The Commission found that Ms. Hildenbrand, in listing a property, relied on tax records instead of measuring and overstated the actual square footage. The Commission also found that Ms. Hildenbrand, in a related transaction, failed to provide the seller with written disclosure when presenting an offer that she represented the buyer.

Continuing Education Checklist

- ☐ Check your course completion certificate to see that it has your correct and current license number.
- ☐ Check your continuing education credits online at www.ncrec.state.nc.us to confirm their accuracy.

SHEILA R. HOLDEN (Supply) – By Consent, the Commission revoked the salesperson license of Ms. Holden effective December 1, 2002. Upon satisfaction of certain conditions, Ms. Holden is eligible to seek and obtain the reinstatement of her license. The Commission found that Ms. Holden had failed to disclose certain misdemeanor convictions in her salesperson and broker license applications.

CHARLES L. HOLLOWAY (Franklinton) – The Commission accepted the permanent voluntary surrender of the broker license of Mr. Holloway effective September 12, 2002. The Commission dismissed without prejudice allegations that Mr. Holloway violated provisions of the Real Estate License Law and Commission rules. Mr. Holloway neither admitted nor denied misconduct.

MICHAEL D. HUMBLE (Fayetteville) – The Commission accepted the permanent voluntary surrender of the broker license of Mr. Humble effective December 16, 2002. The Commission dismissed without prejudice allegations that Mr. Humble violated provisions of the Real Estate License Law and Commission rules. Mr. Humble neither admitted nor denied misconduct.

CHARLES T. KELLY (Morehead City) – By Consent, the Commission revoked the broker license of Mr. Kelly effective October 1, 2002. The Commission found

that Mr. Kelly, as secretary-treasurer of a homeowner's association, misappropriated in excess of \$100,000 in funds for his own use and to fund his own real estate company. The Commission also found that Mr. Kelly, as Broker-in-Charge of his own firm, did not fully comply with Commission record-keeping requirements relating to identifying the purpose of deposits and disbursements on ledgers and in the journal and the parties to a sales transaction. The Commission noted that Mr. Kelly replaced the misappropriated funds.

EARL C. KELLY (Roxboro) – By Consent, the Commission suspended the broker license of Mr. Kelly for a period of 90 days effective December 16, 2002. One month of the suspension was active, with the remainder stayed for a probationary term. The Commission found that Mr. Kelly, as the listing agent for two residential properties, was aware that the builder of the properties was not a licensed general contractor, but did not disclose this fact to the buyers.

MARTIN E. KIMSEY (Highlands) – By Consent, the Commission suspended the broker license of Mr. Kimsey effective June 10, 2002 for a period of 90 days. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Mr. Kimsey, as a principal and broker-in-charge of a real estate firm, failed to properly supervise an employee's handling of trust account funds and to properly account for trust money in the firm's possession. The Commission noted that Mr. Kimsey cooperated with the Commission's inquiry and corrected the record-keeping deficiencies.

DAVID M. KIRBY (Charlotte) – By Consent, the Commission revoked the broker license of Mr. Kirby effective September 15, 2002. The Commission further ordered that Mr. Kirby is permanently barred from applying for reinstatement of his broker license, but may apply for reinstatement of his salesperson license under certain conditions. The Commission found that Mr. Kirby approved payment of compensation for brokerage referral services to an unlicensed person.

LEONARD BEAVER REALTY AND CONSTRUCTION, INC. (Kannapolis) – By Consent, the Commission suspended the firm license of Leonard Beaver Realty and Construction effective April 1, 2001 for a period of one year. The Commission

(See Disciplinary, page 15)

Disciplinary

(Continued from page 14)

then stayed the suspension for a probationary period of one year. The Commission found that Leonard Beaver Realty engaged in the practice of general contracting without first obtaining the necessary license from the North Carolina Licensing Board for General Contractors.

NANCY LIN (Cary) – By Consent, the Commission reprimanded Ms. Lin effective March 22, 2001. The Commission found that Ms. Lin acted as a buyer agent without a written agreement.

ANN LOCKLEAR (Fayetteville) – By Consent, the Commission suspended the broker license of Ms. Locklear effective December 1, 2002 for a period of two years. One month of the suspension was active with the remainder stayed for a probationary period of five years. The Commission found that Ms. Locklear failed to report convictions for writing worthless checks.

LYNN SPAIN PROPERTIES (Nashville) – The Commission accepted the voluntary surrender of the firm license of Lynn Spain Properties for a period of two years effective February 1, 2003. The Commission dismissed without prejudice allegations that Lynn Spain Properties violated provisions of the Real Estate License Law and Commission rules. Lynn Spain Properties neither admitted nor denied misconduct.

CAROLYN J. MARTIN (Ahoskie) – By Consent, the Commission reprimanded Ms. Martin effective June 10, 2002. The Commission found that Ms. Martin failed to adequately supervise an unlicensed bookkeeper in the proper maintenance of Ms. Martin's accounts, resulting in embezzlement and a fund shortfall. The Commission noted that Ms. Martin replaced the missing funds, corrected the trust account bookkeeping and prosecuted the bookkeeper for the misuse of funds.

MASTERS REALTY INC., t/a RE/MAX MASTERS REALTY (Morehead City) – The Commission accepted the permanent voluntary surrender of the firm license of Masters Realty effective October 1, 2002. The Commission dismissed without prejudice allegations that Masters Realty violated provisions of the Real Estate License Law and Commission rules. Masters Realty neither admitted nor denied misconduct.

New Ways to Order Publications See new order forms on P. 6 & 7.

GARLAND G. MCCOY (Bolivia) – By Consent, the Commission suspended the broker license of Ms. McCoy (now known as Ernestine G. Gossert) for a period of two years effective December 1, 2002. The Commission further ordered that the suspension will be stayed on December 1, 2003 for a probationary period of one year on certain conditions. The Commission found that Ms. McCoy failed to retain and maintain certain transaction and trust account records.

MCR PROPERTIES, INC. (Charlotte) – By Consent, the Commission reprimanded MCR Properties effective January 16, 2003. The Commission found that MCR, on its original and reinstatement license application, failed to disclose a misdemeanor conviction of its principal shareholder.

WANCHAI PANASETHANED (Greensboro) – By Consent, the Commission suspended the broker license of Mr. Panasethaned effective June 10, 2002 for a period of two years. The Commission then stayed the suspension for a probationary period through April 30, 2005. The Commission found that Mr. Panasethaned acted as a buyer agent without a written agreement and without providing written non-discrimination disclosures, did not maintain proper records of an earnest money deposit and delayed in refunding earnest money after all parties to a transaction had agreed to do so.

KENNETH R. PARKER (Wilmington) – The Commission ordered the revocation of the broker license of Mr. Parker effective February 1, 2003. The Commission found that Mr. Parker acted as a buyer agent and a listing agent without written agreements, failed to provide written disclosure of agency duties and relationships at first substantial contact, improperly prepared and used a dual agency agreement, made misrepresentations relating to the use of the Residential Property Disclosure Statement and customer access to and alterations of the seller's property, failed to disclose to the seller denial of financing

to the buyer and involuntary committal of the buyer, altered a contract to purchase without knowledge of the parties, and returned a disputed earnest money deposit to a buyer without consent of the seller or a court order. On appeal, the Superior Court of New Hanover County affirmed the order of the Commission to revoke the broker license of Mr. Parker.

CURTIS R. POLLY (Brevard) – By Consent, the Commission suspended the salesperson license of Mr. Polly effective October 1, 2002. Three months of the suspension were active with the remainder stayed for a probationary term of 12 months. The Commission found that Mr. Polly, in his salesperson license application, omitted required information including several criminal convictions from the State of Florida. The Commission noted that Mr. Polly, in a subsequent application for a broker license, disclosed his entire criminal history.

SCOTT K. ROTH (Sapphire) – By Consent, the Commission suspended the broker license of Mr. Roth for a period of 30 days effective March 1, 2003 and imposed a probationary period of one year effective March 31, 2003. The Commission found that Mr. Roth, as the owner of a real estate firm, failed to supervise the broker-in-charge to ensure books and records were maintained according to Commission rules. The Commission noted that no client monies were placed in jeopardy.

WILLIAM C. SAPP, JR. (Monroe) – By Consent, the Commission suspended the salesperson license of Mr. Sapp for a period of 90 days effective November 1, 2002. The Commission found that Mr. Sapp, while on inactive status due to failure to complete continuing education courses, engaged in a real estate sales transaction by falsely using the name of another licensee.

RONALD J. SHANNON (Long Beach) – The Commission accepted the voluntary surrender of the broker license of Mr. Shannon for a period of one year effective December 1, 2002. The Commission dismissed without prejudice allegations that Mr. Shannon violated provisions of the Real Estate License Law and Commission rules. Mr. Shannon neither admitted nor denied misconduct.

SHANNON'S SERVICES, INC. (Long Beach) – The Commission accepted

(See Disciplinary, page 16)

Disciplinary (Continued from page 15)

the voluntary surrender of the firm license of Shannon's Services for a period of one year effective December 1, 2002. The Commission dismissed without prejudice allegations that Shannon's Services violated provisions of the Real Estate License Law and Commission rules. Shannon's Services neither admitted nor denied misconduct.

JOHN R. SNOW (Cary) – The Commission accepted the permanent voluntary surrender of the broker license of Mr. Snow effective October 16, 2002. The Commission dismissed without prejudice allegations that Mr. Snow violated provisions of the Real Estate License Law and Commission rules. Mr. Snow neither admitted nor denied misconduct.

LYNN M. SPAIN (Zebulon) – The Commission accepted the voluntary surrender of the broker license of Ms. Spain for a period of two years effective February 1, 2003. The Commission dismissed without prejudice allegations that Ms. Spain violated provisions of the Real Estate License Law and Commission rules. Ms. Spain neither admitted nor denied misconduct.

NANCY C. STREETMAN (Greensboro) – By Consent, the Commission suspended the salesperson license of Ms. Streetman effective December 1, 2002 for a period of 60 days. One month of the suspension was active with the remainder stayed for a probationary period of eleven months. The Commission found that Ms. Streetman represented a buyer without a written agreement and without providing adequate agency disclosure as required by Commission rules. The Commission also found that Ms. Streetman left one firm and joined another and instructed parties to terminate a pending contract and enter a new one showing her new firm as the agent in the transaction. The Commission noted that Ms. Streetman has since resolved her differences with her former firm.

LYNNE G. TAYLOR (Mebane) – By Consent, the Commission suspended the broker license of Ms. Taylor for a period of 24 months effective December 1, 2002. The Commission found that Ms. Taylor engaged in the real estate business and received payment for services during times when her license had expired or was on inactive status. The Commission also found that Ms. Taylor failed to deposit and

maintain earnest money in a trust account. Ms. Taylor neither admitted nor denied any misconduct.

MARY H. TEMPLETON (Clemmons) – By Consent, the Commission revoked the broker license of Ms. Templeton effective December 15, 2002. The Commission found that Ms. Templeton, as principal broker and broker-in-charge of a real estate firm, failed to maintain the funds of others in a trust account and failed to promptly account for and remit those funds.

THE PROPERTY MARKETPLACE, INC. (Durham) – The Commission revoked the firm license of The Property Marketplace effective October 28, 2002. The Commission found that The Property Marketplace, a property management firm, failed to keep certain clients informed, failed to account for or remit certain moneys coming into its possession within a reasonable amount of time, failed to properly maintain and deposit in trust all money it received as a licensee and failed to safeguard client funds in its possession.

CHARLENE S. TRULL (Maggie Valley) – By Consent, the Commission suspended the salesperson license of Ms. Trull for a period of 90 days effective October 1, 2002. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Ms. Trull, with little or no experience in the sale of commercial properties, used

the Standard Form Offer to Purchase and Contract, designed primarily for single-family residential sales, rather than advising the drafting of an appropriate commercial contract by an attorney, and did not advise her buyer-clients to obtain specialized inspections, including those for a swimming pool, found after closing to have a damaged plumbing system, and termite damage, found after closing to be extensive.

THERESA E. WITHERS (Hickory) – By Consent, the Commission revoked the broker license of Ms. Withers effective March 21, 2001. The Commission found that Ms. Withers signed her ex-husband's name on a deed to convey property, applied a notary seal without the knowledge or consent of its owner and caused the document to be recorded with the local Register of Deeds. The Commission further ordered that Ms. Withers' subsequent application for reinstatement of her salesperson license be granted on certain conditions.

WNH REALTY, INC. (Pinehurst) – The Commission accepted the voluntary surrender of the firm license of WNH Realty for a period of one year effective September 1, 2002. The Commission dismissed without prejudice allegations that WNH violated provisions of the Real Estate License Law and Commission rules. WNH neither admitted nor denied misconduct.

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