



## NORTH CAROLINA REAL ESTATE COMMISSION

# Real Estate Bulletin

Volume 30

Summer 1999

Number 2

## New Legislation affects Real Estate License Law

Introduced at the request of the Real Estate Commission, the legislation was sponsored by Representatives John D. Bridgeman and Julia C. Howard, and Senator Wilbur P. Gulley.

*By Phillip T. Fisher*  
*Executive Director*

The North Carolina General Assembly recently enacted and Governor Hunt signed into law a number of amendments to the Real Estate License Law. Following are some highlights of the legislation and their effective dates.

### License Applicants

- ⊠ Persons applying for salesperson licenses will be required to first complete 67 classroom hours (now 30 hours) of real estate education approved by the Commission, and persons applying for broker licenses will be required to complete 60 classroom hours (now 90 hours) in addition to the required salesperson education. Salesperson and broker courses will be recognized for three years (now five years), and applicants for broker licenses will no longer have the option to

*(continued on page 2)*

## Governor appoints new Commission member



**Allan R. Dameron**

Governor James B. Hunt, Jr., has appointed Allan R. Dameron of Holden Beach to the North Carolina Real Estate Commission. The Honorable Sarah Parker, Associate Justice of the North Carolina Supreme Court, administered the oath of office to Mr. Dameron on April 14, 1999, at the Commission's office in Raleigh.

Mr. Dameron is a native of Elkin. He graduated from Guilford College in Greensboro with a degree in Administrative Science.

In 1984, Mr. Dameron affiliated with Alan Holden Realty/RE/Max at the Beach. He was a Property Manager with the firm until 1996 when he assumed his current position of Broker Associate.

Mr. Dameron is an active REALTOR® at the national, state and local levels. He served as Dean of the REALTORS® Institute for three consecutive years in the mid-'90s, and in 1998, was Chairman of the Public Information/Management Committee.

Currently, Mr. Dameron is both a Director and an Officer of the North

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## Commission elects officers



**Billie J. Mercer**  
**Chairman**



**Sang J. Hamilton, Sr.**  
**Vice-Chairman**

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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 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 North Carolina Real Estate Commission Real Estate Bulletin.

### NORTH CAROLINA REAL ESTATE COMMISSION

1313 Navaho Drive  
P.O. Box 17100  
Raleigh, North Carolina 27619 - 7100  
Phone 919/875-3700  
James B. Hunt, Jr., Governor

### COMMISSION MEMBERS

Billie J. Mercer ..... Wilson  
Chairman  
Sang J. Hamilton, Sr. .... Winton  
Vice-Chairman  
Raymond A. Bass, Jr. .... Fayetteville  
Allan R. Dameron .... Holden Beach  
Mona S. Hill ..... Pinehurst  
Wanda J. Proffitt ..... Burnsville  
Lanny T. Wilson ..... Wilmington

Phillip T. Fisher  
Executive Director

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Counsel  
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Editor - in - Chief

Phillip T. Fisher

Editor

Carrie D. Worthington

## Legislation enacted

(continued from page 1)

qualify based on two years experience as a salesperson.  
[Effective October 1, 2000]

- ⊖ Persons with salesperson licenses will not be required to pass an additional license examination in order to obtain a broker license; they must only complete the 60-hour broker education program, pass any course examinations given by the education provider, and satisfy the Commission as to their good character.  
[Effective October 1, 2000]

*[Note: The Commission determined that the public interest would be better served by shifting some of the education required for brokers into the salesperson education requirement and by eliminating the separate broker license examination, thereby providing an incentive for licensed salespersons to further their education and obtain a broker license.]*

- ⊖ The Real Estate Commission can offer "computer-administered" license examinations to license applicants. Applicants will be given the choice of taking the computer examination or the paper-and-pencil exam. Applicants choosing the computerized exam will pay the actual cost of such examination in addition to the usual \$30 license application fee.  
[Effective October 1, 2000]

*[Note: Applicants taking computerized examinations probably will be able to obtain their licenses within three weeks of completing their real estate course(s).]*

- ⊖ The so-called "grandfather provision" in the License Law has been repealed. This provision exempted persons engaged in the real estate business as of July 1, 1957, from the preclicensing education/examination requirements. [Effective October 1, 1999]

### Brokers-in-Charge

- ⊖ The Real Estate Commission can require brokers-in-charge of real estate offices to complete a special course of study not to exceed six classroom hours every three years.

*[Note: If required by the Commission, courses probably will be available on a monthly basis beginning in the Summer or Fall of 2000 at various locations across the state, and attendees will receive continuing education elective course credit for completing the course.]*

### Other

- ⊖ The term "salesman" has been changed to "salesperson." [Effective October 1, 1999]  
⊖ The License Law was amended to make it clear that a real estate agent from

(continued on page 3)

# Dameron appointed to Commission

(continued from page 1)

Carolina Real Estate Education Foundation. He served two terms as Director and two terms as Vice-President of the South Brunswick Islands Board of REALTORS®, and was named "REALTOR® of the Year" by that Board in 1991. He is currently President-elect of the Brunswick County Board of REALTORS®.

A civic leader, Mr. Dameron was named "Volunteer of the Year" in 1990 by the Administrative Division of the Brunswick County Volunteer Information Center. He was Evacuation Team Leader for the Town of Holden Beach for over 10 years. The South Brunswick Islands Chamber of Commerce, where he served as both Director and President, presented Mr. Dameron with the "President's Award."

Currently a member of the Holden Beach Board of Adjustment, Mr. Dameron has served four terms as its Chairman. He has also chaired the North Carolina Oyster Festival. He is the current Chairman of the Brunswick County Democratic Party.

Mr. Dameron recently married Lydia Dellinger of Raleigh. □

EXAM RESULTS		
	Passed	Failed
March		
Brokers	71	60
Salesmen	397	297
April		
Brokers	85	57
Salesmen	375	256
May		
Brokers	112	79
Salesmen	468	314

## Legislation enacted

(continued from page 2)

another state must obtain a North Carolina real estate license before he or she visits this state in connection with the brokerage business. As amended, the law continues to permit North Carolina licensees to cooperate with out-of-state agents so long as those agents do not enter this state without first obtaining a license from the North Carolina Real Estate Commission. [Effective October 1, 1999]

△ The maximum amount that can be paid out of the Real Estate Recovery Fund to compensate victims of theft or conversion of trust funds by real estate brokers has been increased to \$50,000 per licensee (now \$20,000 per licensee). [Effective October 1, 1999]

△ Other amendments were made affecting the Time Share Act and the Real Estate Commission's operating procedures. ■

### A Reminder . . .

**It's not too early to schedule the continuing education courses necessary to renew your license on active status for 2000 - 2001!**

#### REGISTRATION FORM

for

#### BASIC TRUST ACCOUNT PROCEDURES COURSE MONTHLY - RALEIGH

**Four (4) hours continuing education elective credit will be awarded for completion of the course.** The course begins at 1:00 p.m. and ends at 5:00 p.m. It is held at the McKimmon Center.

The course is intended for brokers and trust account bookkeepers. Salesmen will be admitted on a space available basis. Each session is limited to 40 participants, scheduled according to date received.

Complete this form (*make copies for additional persons*) and mail with a check for **\$35 tuition fee** to be received by the Commission no later than 7 working days prior to date of preferred session. **Walk-ins will be accepted on a space available basis only.**

☐ September 14

☐ October 5

☐ November 2

☐ December 14

Name \_\_\_\_\_ Phone \_\_\_\_\_  
(Daytime)

Address \_\_\_\_\_  
(Street, P.O. Box, etc.) (City) (State) (Zip)

☐ Broker (License No. \_\_\_\_\_)

Mail to: **NC REAL ESTATE COMMISSION**

☐ Salesman (License No. \_\_\_\_\_)

Attention: Audits and Investigations Division  
P. O. Box 17100  
Raleigh, NC 27619-7100

☐ Bookkeeper

**Enclose \$35 tuition fee**

# New Officers

(continued from page 1)

The Real Estate Commission recently elected its officers for the coming year. The Commission chose **Billie J. Mercer** of Wilson to be its Chairman and **Sang J. Hamilton, Sr.**, of Winton, to be Vice-Chairman. Mrs. Mercer and Mr. Hamilton will serve from August 1, 1999 - July 31, 2000.

Mrs. Mercer is a graduate of UNC-Wilmington where she earned a BA in history. She is a former real estate instructor.

A Graduate of the REALTORS® Institute and Certified Residential Specialist, Mrs. Mercer served as president of the Wilson Board of REALTORS® in 1993. She is a past-president of the Wilson Multiple Listing Service.

Mrs. Mercer is a past-director of the Wilson Chamber of Commerce and currently serves on the Advisory Board of Branch Banking & Trust Company in Wilson.

Mrs. Mercer is broker/owner of Billie Mercer Realty, Inc. in Wilson. She is married to C.H. Mercer.

Mr. Hamilton is a graduate of Roanoke Chowan Community College in Ahoskie and was certified in police science. He is a former member of the Ahoskie Auxiliary Police.

Mr. Hamilton is a Production Engineer at Newport News Shipbuilding in Newport News, Virginia.

A life-member of the NAACP, Mr. Hamilton is also a member of the Eastern North Carolina Civic Group. He serves as president of Tri-County Credit Union. He has served on both the Election Laws Review Commission and the State Professional Educational Committee.

Mr. Hamilton was recognized as one of the Outstanding Young Men of America in 1981, and received the Governor's Award for Involvement in Education in 1984.

Mr. Hamilton and his wife Shirley have two sons - Sang, Jr., and Deon - and two daughters - Shaneé and Janeé. ■

## For your information...

You are reminded that the Real Estate Commission's meetings are open to the public. Real estate licensees and consumers are always welcome.

Although advance notice is not required in order for you to attend, you are encouraged, when possible, to please notify the Commission of your plans to attend a scheduled meeting at least ten business days prior to the meeting, in order to ensure adequate parking and seating arrangements.

Please mail your notice to the North Carolina Real Estate Commission, P. O. Box 17100, Raleigh, NC 27619-7100, or call the Commission office (919) 875-3700.

For your convenience, the calendar at the bottom of this page lists the meeting dates for the next four months. ■

## Commission Calendar

### Meeting Dates

September 8

October 13

November 9

December 8

Meetings begin at 9 a.m. and are held in the conference room of the Real Estate Commission office, 1313 Navaho Drive, Raleigh, NC 27609, unless otherwise noted. *[Please understand that circumstances sometimes necessitate changes in meeting dates and times.]* ■



# Communicating with the Commission

## Mail

1313 Navaho Drive  
Post Office Box 17100  
Raleigh, North Carolina 27619-7100

## Fax (Area Code 919)

Admin . . . . . 877-4217 Ed. & Lic. . . . . 877-4216  
Audits/Inves. . . 877-4218 Legal Services . 877-4220  
Records . . . . . 877-4221

## Telephone

919/875-3700

You will receive more prompt service if you use this directory when calling the Commission. If the automated telephone attendant answers your call, you may access the section or division shown in the "Access Code" column by dialing on your touchtone phone the number shown parenthetically ( ).

Subject	Access Codes
• Application form requests . . . . .	Receptionist (0)
• Real estate license renewals and record changes . . . . .	Records Section (1)
• Complaints and legal matters (Consumer complaints/inquiries, pending cases/hearings) . . . . .	Legal Services Division (2)
• Education matters . . . . .	Education Section (3)
• Real estate license qualifications and examinations . . . . .	Application Section (4)
• Real estate firm licensing and licensing by reinstatement or reciprocity . . . . .	Licensing Section (5)
• Complaint investigations and audits . . . . .	Audits and Investigations Division (6)
• Administration, personnel matters and accounting . . . . .	Administration Division (7)
• Other matters . . . . .	Receptionist (0)

## Interactive Voice Response

To retrieve licensee data (license status, CE credits, broker-in-charge information, etc.) from the Interactive Voice Response (IVR) system, use a touchtone phone to dial (919) 850-2753.

## Internet

"Visit" the Commission on-line at Web Site: [www.ncrec.state.nc.us](http://www.ncrec.state.nc.us) - your easy access to Commission information. The Internet brings to your computer screen licensing information including the License Law, Commission Rules, Trust Account Guidelines, State Fair Housing Act, general information and guides, sample forms and real estate licensing forms. Also, exam schedules and review dates as well as Commission publications including the *Bulletin* (and index of *Bulletin* articles), *CE Schedule*, Commission brochure and the complete *Question and Answer Series*.

## E-Mail

• Executive . . . . . [exec@ncrec.state.nc.us](mailto:exec@ncrec.state.nc.us)  
• Administration . . . . . [admin@ncrec.state.nc.us](mailto:admin@ncrec.state.nc.us)  
• Education & Licensing . . . . . [educ@ncrec.state.nc.us](mailto:educ@ncrec.state.nc.us)  
• Audits & Investigations . . . . . [ai@ncrec.state.nc.us](mailto:ai@ncrec.state.nc.us)  
• Legal Services . . . . . [legal@ncrec.state.nc.us](mailto:legal@ncrec.state.nc.us)  
• Records . . . . . [records@ncrec.state.nc.us](mailto:records@ncrec.state.nc.us)

## Fax-on-Demand

The following documents are available from the various Commission Divisions/Sections by dialing on your touchtone phone (919) 850-2757.

Document #	Administration/Records
200	Request to Activate Broker or Salesman License, Notification of Salesman Supervision, Notification of Change of Broker's Business Address
210	Broker-in-Charge Declaration
220	Request for Reissuance of Real Estate License Certificate and/or Renewal Pocket Card
	<b>Education/Licensing</b>
300	Continuing Education Course Schedule
310	Publications Order Form
320	License Examination Schedule and License Examination Review Schedule
330	Basic Trust Account Procedures Course Schedule and Registration Form
340	Order Form for License Examination Candidate Roster/Order Form for Register of New Licensees
350	Verification of Salesman Experience
360	Request for Equivalent Education Credit
	<b>Legal Services</b>
400	Complaint Form
410	Criminal Conviction Reporting Form
420	Residential Property Disclosure Statement
430	Disclosure to Buyer From Seller's Agent or Subagent

## Other

500 1999 Commission Meeting Schedule  
510 Request for Program Presenter

Here's a handy list of addresses for you to copy, clip and save for your ready-reference when communicating with the Commission

<p><b>Mail</b></p>  <p>1313 Navaho Drive Post Office Box 17100 Raleigh, NC 27619-7100</p> <p><b>Fax</b> (Area Code 919)</p> <p>Admin . . . . . 877-4217 Audits/Inves. . . 877-4218 Ed. &amp; Lic. . . . 877-4218 Legal Ser. . . . 877-4220 Records . . . . . 877-4221</p>  <p><b>Fax-on-Demand</b> 919/850-2757</p>	<p><b>Interactive Voice Response</b> (919) 850-2753</p>  <p><b>Phone</b> 919/875-3700</p>	<p><b>Web Site</b> <a href="http://www.ncrec.state.nc.us">www.ncrec.state.nc.us</a></p>  <p><b>E-Mail</b></p> <p>Exec. . . . . <a href="mailto:exec@ncrec.state.nc.us">exec@ncrec.state.nc.us</a> Admin. . . . . <a href="mailto:admin@ncrec.state.nc.us">admin@ncrec.state.nc.us</a> Ed. &amp; Lic. . . . . <a href="mailto:educ@ncrec.state.nc.us">educ@ncrec.state.nc.us</a> Audits &amp; Inv. . . . <a href="mailto:ai@ncrec.state.nc.us">ai@ncrec.state.nc.us</a> Legal Ser. . . . . <a href="mailto:legal@ncrec.state.nc.us">legal@ncrec.state.nc.us</a> Records . . . . . <a href="mailto:records@ncrec.state.nc.us">records@ncrec.state.nc.us</a></p>
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# 1999 Educators Conference held in Chapel Hill

By Ginger L. Schultz-Lamitie, Licensing and Education Officer

On March 22 and 23, the Commission held its twentieth annual Real Estate Educators Conference. Nearly 150 prelicensing and continuing education instructors, school directors, sponsors, publishing company representatives, and guests were welcomed to the conference by the Commission's Director of Education and Licensing, Larry Outlaw. Mr. Outlaw discussed general education issues and revisions to the licensing requirements.

Ginger Schultz-Lamitie followed with a discussion of the Americans with Disabilities Act as it relates to prelicensing schools. Ms. Schultz-Lamitie reminded schools of their obligation to provide education to students who are identified under the Act, but emphasized that schools also must comply with the Commission's rules regarding instruction delivery methods.

Brenda Russell, M.Ed., CRS, GRI, ITI, of Nashville, Tennessee, was the keynote speaker. In a program outlining ways to more actively engage students, Ms. Russell shared techniques for incorporating various learning styles into the lessons.

Continuing Education Officer Pamela Milligan addressed issues of particular importance to continuing education sponsors and instructors. Ms. Milligan reminded sponsors to make sure students enter their correct license numbers on course completion forms by marking the proper "bubbles" to ensure proper posting of CE credits.

Education and Examination Officer Anita Burt provided a list of problem topics for license examinees, and Emmet Wood, Director of Audits and Investigations, discussed cases of trust account mismanagement. Mr. Wood acknowledged that his investigations sometimes prove facts truly are much stranger than fiction.

Cheryl Fellers, Case Worker for the N.C. Human Relations Commission, distributed information regarding fair housing. Because participants wanted more information on the subject than time permitted, the Commission is exploring the possibility of sponsoring a fair housing seminar for instructors.

The North Carolina Real Estate Educators' Association (NCREEA) held its annual chapter meeting in conjunction with the conference.

At the meeting, they elected new officers and recognized educators who had made exceptional contributions to real estate education during the past year. Tom Daniel of Fayetteville was named "Educator of the Year." "Program of the Year" honors went to Kim Stotesbury for her continuing education elective course entitled, *Fundamentals of Residential Property Management*.

The election determined that Susan Wall will follow Cindy Chandler as president-elect when Ms. Chandler accepts the presidency from Gary Taylor. Deborah Carpenter was re-elected secretary/treasurer while Kim Stotesbury, Lois Branning, and Tom Daniel were named directors.

Again this year, a donation in memory of Everett G. Mogle was made to the Alamance Community College Foundation. The scholarship contribution was accepted by Sandra D. Moulton.

Also in attendance and assisting with conference preparation and registration were Penny Childress, Assistant to the Director of Education and Licensing, and Gloria Williams, Senior Applications Specialist. □

## License Renewal Report

### Renewal Applications Sent

Brokers and Salesmen	76,579
Firms	4,785

### Renewed by June 30 Deadline

69,129	(90%)
4,561	(95%)

### ***Attention brokers-in-charge!***

**Have you checked to be sure that all of the salesmen and brokers in your office have renewed their licenses on active status? The Commission reminds you that inactive licensees may not engage in any activity that requires a real estate license.**

# Valued employee retires!

After 28 years' service with the Real Estate Commission, Gloria Williams announces her retirement.

By Carrie D. Worthington, Publications Officer

In 1997 when she was interviewed for the Commission's "Fortieth Anniversary" issue of the *Bulletin*, Gloria Williams said she was not even **thinking** about retiring from her job as Senior Applications Specialist. But two years and some 20,000+ real estate license applications later, Gloria is ready to retire.

"I'm going to spend some time with my grandchildren," Gloria said. "I'll probably take some trips, see some things I've never seen, become more involved with my church, get to visit my friends. I'm going to stay busy," she added.

Mrs. Williams joined the staff of the North Carolina Real Estate Licensing Board in 1971, seven years before the State Legislature increased the Board's membership from five to seven members. [The name of the Licensing Board was changed by the Legislature to the North Carolina Real Estate Commission in 1983.]

A former school teacher, Mrs. Williams came to the Commission well-qualified to handle the paperwork involved in her position as Senior Applications Specialist. In addition to reviewing and processing all applications for salesman and broker licenses, she schedules applicants for examination and handles inquiries regarding applicant qualifications. Much of her work-day is spent on the phone.

In her 28 years here, Mrs. Williams has experienced the change from a two-line telephone system to receive calls from applicants, consumers, and less than 13,000 licensees - to a switchboard with 15 incoming lines to accommodate calls from numerous consumers and over 75,000 licensees. And the number of applicants? An average of 1,000 per month!

Mrs. Williams remembers all of these changes - and many more - including an increase in staff-size from five to 46! She moved with the Commission from its downtown Raleigh office in the BB&T Building to an office in the Brown-Rogers Building on Hillsborough Street, then to 1200 Navaho Drive, and finally to the Commission's

current home at 1313 Navaho Drive.

The method of processing applications has changed over the years, too, with computers replacing typewriters, and microfilm and optical imaging replacing file folders and filing cabinets. And now, the application processor will change, as Mrs. Williams retires on August 1.

"I have mixed emotions," the Commission's senior staff member admitted. "I'm happy but I'm sad, because I've been around here for so long."

The Real Estate Commission and staff congratulate Gloria on her retirement and thank her for her many years of dedicated service to real estate applicants and licensees.

**Gloria Williams rarely uses a typewriter: computers and other technological advancements have made some changes in her job as Senior Applications Specialist. But she still spends much of her day talking with applicants on the telephone.**



## *In appreciation*

The Commission would like to thank each of you who renewed your license in a timely manner.



## 2000 Trust Account Caravan Registration Form

Four (4) hours continuing education elective credit will be awarded for completion of each course. Courses are intended for brokers and trust account bookkeepers. Salesmen will be admitted on a space available basis.

### Asheville - Ramada Plaza Hotel

435 Smoky Park Highway

- ☐ Basic Trust Account Procedures Course  
March 28, 2000 9:00 am - 1:00 pm
- ☐ Trust Account Procedures for Resort Prop. Mgrs.  
March 29, 2000 9:00 am - 1:00 pm

### Banner Elk - Holiday Inn-Banner Elk

NC Highway 184

- ☐ Basic Trust Account Procedures Course  
April 25, 2000 9:00 am - 1:00 pm
- ☐ Trust Account Procedures for Resort Prop. Mgrs.  
April 26, 2000 9:00 am - 1:00 pm

### Charlotte - Hilton Charlotte University Place

8629 J.M. Keynes Dr.

- ☐ Basic Trust Account Procedures Course  
April 13, 2000 9:00 am - 1:00 pm
- ☐ Basic Trust Account Procedures Course  
April 14, 2000 9:00 am - 1:00 pm

### Fayetteville - Holiday Inn Bordeaux

1707 Owen Dr.

- ☐ Basic Trust Account Procedures Course  
April 5, 2000 9:00 am - 1:00 pm

### Greensboro - Ramada Inn-Greensboro Airport

7067 Albert Pick Rd.

- ☐ Basic Trust Account Procedures Course  
April 27, 2000 9:00 am - 1:00 pm
- ☐ Basic Trust Account Procedures Course  
April 28, 2000 9:00 am - 1:00 pm

### Kill Devil Hills - Ramada Inn Outer Banks Resort & Conference Center

1701 South Virginia Dare Trail

- ☐ Basic Trust Account Procedures Course  
April 18, 2000 9:00 am - 1:00 pm
- ☐ Trust Account Procedures for Resort Prop. Mgrs.  
April 19, 2000 9:00 am - 1:00 pm

### Wilmington - Coast Line Convention Center

501 Nutt Street

- ☐ Basic Trust Account Procedures Course  
April 3, 2000 1:00 pm - 5:00 pm
- ☐ Trust Account Procedures for Resort Prop. Mgrs.  
April 4, 2000 9:00 am - 1:00 pm

Complete this form (*make copies for additional persons*) and mail with a check for \$35 tuition fee to be received by the Commission no later than 10 working days prior to date of preferred session. Each session is limited to 40 participants, scheduled according to date received. **Walk-ins will be accepted on a space available basis only.**

Name \_\_\_\_\_ Phone \_\_\_\_\_ (Daytime)

Address \_\_\_\_\_ (Street, P.O. Box, etc.) (City) (State) (Zip)

☐ Broker (License No. \_\_\_\_\_)

☐ Salesman (License No. \_\_\_\_\_)

☐ Bookkeeper

Mail to: **NC REAL ESTATE COMMISSION**  
Attention: Audits and Investigations Division  
P. O. Box 17100  
Raleigh, NC 27619-7100  
**Enclose \$35 tuition fee**



# This Year's Caravan was big, but the 2000 Trust Account Caravan will be bigger than ever!

By Gary R. Caddell, Sr. Auditor/Investigator

Perhaps it seems like a long time till next spring, but here in the Audits and Investigations Division at the North Carolina Real Estate Commission, we are already busy planning the *Spring 2000 Trust Account Caravan*. Held annually, the *Caravan* takes the Commission's "Basic Trust Account Procedures" and "Trust Account Procedures for Resort Property Managers" courses to cities throughout North Carolina.

This year's *Caravan* was one of the most successful ones ever. Boasting a total of 291 course attendees, the 1999 *Caravan* made stops in Boone, Charlotte, Greensboro, Kill Devil Hills and Wilmington. And because of the success of the 1999 *Caravan*, the Commission has expanded it, adding two cities and five additional classes. Next spring, the *Caravan* will visit Asheville, Banner Elk, Charlotte, Fayetteville,

Greensboro, Kill Devil Hills and Wilmington.

The Commission instituted the *Caravan* as a means of providing its courses to people who cannot get to Raleigh for any of the regular sessions, which are held monthly. [To register for one of the monthly courses, please complete the registration form on page 3.]

For those of you who are brokers-in-charge or trust account bookkeepers, the Commission highly recommends both courses that are offered during the *Caravan* tour. Taught by members of the Commission's Audits and Investigations staff, the courses provide instruction in the preparation of trust account ledgers, journals and related records for the proper maintenance and accounting for the funds of others.

If you are involved in resort property management, the "Trust Ac-

count Procedures for Resort Property Managers" course is the one for you! In addition to the record-keeping and bookkeeping requirements covered in the "Basic Trust Account Procedures" course, this course covers more complex accounting issues unique to resort property management. Sales taxes, the distribution of advance rents, and other issues specific to resort property management are also covered. It's offered only during the *Spring Caravan*, so don't miss it.

Even though it may seem like a long time till next spring, it's not too soon to make your plans for the 2000 *Trust Account Caravan*. Please see the Registration Form on page 8 for dates and locations. Class size is limited. This year, several classes filled up quickly, so be sure to register early. □

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## Another renewal reminder

By Mary Frances Whitley, Director of Administration

The Commission again reminds brokers-in-charge of their responsibility to ensure that the licenses of all of the agents in their office are current and active. Therefore, if you are a broker-in-charge, you must verify the status of the broker licenses in your office as well as those of the salesmen under your supervision.

Any licensee who failed to pay the renewal fee prior to the June 30, 1999 deadline now has an expired license. You may check for current licensure by making sure that each agent's pocket

card shows an expiration date of June 30, 2000.

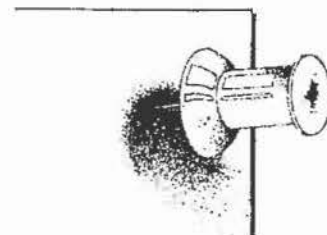
A license that expired June 30 of this year may be reinstated prior to June 30, 2000, with the payment of the \$30 renewal fee plus a \$5 late filing fee. The Commission requests applicants for reinstatement to please enclose their renewal application with their \$35 check. However, an applicant who does not have a renewal application may write his or her license number on the check and send it with current address information. (Brokers-in-charge who renew after the June

30 deadline must complete a new *Broker-in-Charge Declaration* form and an activation form for each broker and salesman affiliated with the firm.)

If a licensee failed to meet the continuing education requirements necessary for active status, his or her real estate license is inactive, even if it is renewed. As you are aware, an inactive licensee is not authorized to engage in real estate brokerage.

You may verify current/active status by calling the Commission's IVR at 919/850-2753. □

# Statistically Speaking: Commission Facts and Figure\$



## Did you know that . . .

. . .during the twelve-month period from May 1998 - April 1999, the Real Estate Commission managed (received/made) 120,080 telephone calls and responded to 11,771 requests for information via "Interactive Voice Response" and "Fax on Demand"?

. . .received 35,019 "hits" on its web site?

. . .distributed 493,050 publications?

. . .mailed 110,000 forms to licensees acknowledging changes in their license records? *[Figure does not include the many record changes which were made that do not require acknowledgment forms.]*

. . .using optical imaging, recorded 203,776 documents?

. . .issued 3,147 checks?

. . .processed 10,535 applications for licenses by examination?

. . .administered 9,665 license exams?

. . .issued 5,039 licenses by examination, 306 licenses by reciprocity and 527 firm licenses?

. . .licensed four private pre-licensing real estate schools (for a total of 92 schools at 39 different locations with 333 approved instructors)?

. . .approved five new continuing education *Update* course instructors (and renewed 107)?

. . .approved seven new *Update* course sponsors (renewed 117)?

. . .completed 84 case investigations, interviewing 409 persons?

. . .conducted 19 trust account courses for 629 students?

. . .received 858 complaints against licensees? *[811 of those complaints required investigation or inquiry; 726 were dismissed and 85 resulted in disciplinary action (79 by consent and six following hearings).]*

. . .reprimanded 23 licensees, suspended 36 licenses, revoked 28 and accepted 13 license surrenders?

. . .managed  $\pm$  36,300 telephone calls in the Commission's Legal Services Division? *[17% of those calls related to pending cases and 83% were inquiries (2/3 involved questions concerning the license law/rules, licensee conduct, etc., and the remaining calls concerned new complaints or dissatisfaction with licensees, and general real estate questions).]*

. . .developed and published *Residential Square Footage Guidelines*?

. . .developed and drafted legislation to change qualification requirements for real estate licenses, permit computer-based license examinations; amend Time Share Act and Real Estate Recovery Fund, clarify that out-of-state brokers must obtain North Carolina license before practicing in North Carolina, require brokers-in-charge to take special continuing education course, and make other changes to Real

Estate License Law; create Vacation Rental Act?

. . .sponsored and conducted an *Occupational Licensing in North Carolina* seminar for licensing board members, administrators and attorneys?

. . .planned and conducted two *Update* instructor seminars?

. . .developed *Prelicense Instructor Orientation Seminar*?

. . .updated Brokerage Operations Course syllabus?

. . .upgraded computer operating and word processing systems?

. . .finalized implementation of Real Estate Commission web page?

. . .implemented simplified continuing education course completion form?

. . .implemented system to fax documents directly from Commission's computer system?

. . .completed renovations in Legal Services Division?

. . .made substantial progress on updating license examination including forming Examination Review Committee?

. . .sponsored Real Estate Educators Conference?

. . .revised Audits and Investigations Record Inspection Form?

. . .revised approval criteria for trust account software?

. . .and more!

# N.C. Department of Revenue addresses sales and use tax issues relating to property management

By Emmet R. Wood, Director of Audits and Investigations

Information for this article was provided by Andy Sabol, Assistant Director of the Sales and Use Tax Division at the North Carolina Department of Revenue.

Under North Carolina law, operators of short-term rental businesses (hotels, motels, tourist homes, vacation cottages, etc.) must collect and remit a 4% state sales tax and applicable county sales tax on their gross rental receipts. The sales tax is due when the rental occurs (tenant possession of accommodations) and the receipts are collected. [Note: The law exempts real estate rented for less

than 15 days in a calendar year or rented to the same person for at least 90 continuous days.]

According to the law, "if a rental agent is liable for the tax . . . the owner is not liable." Licensees should be aware of the tax law and its application to various aspects of property management.

The chart below lists fees typically charged the tenant by the rental agent and indicates whether or not the agent is responsible for collecting and remitting sales tax on the fees.

If you desire further information, the Department of Revenue invites

you to contact one of its field offices or the Taxpayer Assistance Section at 919/733-3661. Or write Taxpayer Assistance, Office Services Division, North Carolina Department of Revenue, P.O. Box 25000, Raleigh, N.C. 27640.

The Commission reminds you that its "Trust Account Procedures for Resort Property Managers" course addresses sales and use tax as well as other issues of interest to rental agents. The Commission's Trust Account Caravan takes the course to coastal and mountain areas each spring. [Please see article on page 9 of this *Bulletin*.]

Fees	Collect & Remit Sales Tax
Reservation Fee to reserve accommodations	Yes
Cancellation Fee to cancel a reservation	No
Pet Fee for the privilege of bringing a pet during occupancy of the rental unit	Yes
Cleaning Fee to clean the unit after occupancy	Yes
Transfer Fee for changing to a different rental unit, different week, etc.	Yes
Rebate paid to agent by vendor who rents furniture, linens, etc. to tenant	No
Rental Fee received from tenant to whom agent rents furniture, linens, etc.	Yes
Trip Cancellation Insurance Premium paid to insurance company	No
Security Deposit on the rental unit	Yes
Security Deposit (and sales tax) refunded to tenants	Tax Credit
Security Deposit Deduction for damages	Yes
Returned Check Charge on tenant's check	No



# Commission Staff Update



**Joan H. Floyd** "Joni" Floyd as a Consumer Protection Officer.

Joni is a graduate of Auburn University in Alabama, and is a licensed real estate broker. A former English teacher, Joni came to the Commission from the North Carolina Department of Correction where she was employed for nine years as a Probation/Parole Officer.

In her new position, Joni answers inquiries from real estate licensees and consumers and assists in processing consumer complaints against licensees.

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Director of Administration **Mary Frances Whitley**, who chairs the Administrative Committee of the Association of Real Estate License Law Officials (ARELLO), has been recognized by ARELLO President Mike Gorham on her successful planning and execution of an Administrators Workshop at ARELLO's Midyear Meeting at Victoria, British Columbia.

Also participating in the Midyear Meeting were Commission Member and ARELLO Southern District Director **Mona Hill**, Commission Member **Wanda Proffitt**, and the Commission's Director of Legal Services **Tom Miller**, who is vice-chairman of ARELLO's Legal and Professional Conduct Committee.

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Having successfully completed ARELLO's requirements, Auditor/Investigator **Michael B. Gray** has been designated a "Certified Real Estate Investigator" by that organization.

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**Layla J. Traylor**, a second-year law student at UNC-Chapel Hill,

is serving as a legal intern this summer to assist with various projects in the Commission's Legal Services Division.

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The following Commission staff members have made appearances before various real estate industry

(continued on page 17)

## REAL ESTATE COMMISSION PUBLICATIONS ORDER FORM

	No. Copies Requested
<i>Res. Property Disclosure Statement and Guidelines (Please limit request to one copy.)</i>	_____
<i>Res. Square Footage Guidelines (Please limit request to one copy per agent per firm.)</i>	_____
<i>Questions and Answers on: Tenant Security Deposits</i>	_____
<i>Questions and Answers on: Fair Housing</i>	_____
<i>Questions and Answers on: Condos and Townhouses</i>	_____
<i>Questions and Answers on: Who Agents Represent</i>	_____
<i>Questions and Answers on: Purchasing Coastal Real Estate in North Carolina</i>	_____
<i>Questions and Answers on: Renting Residential Real Estate</i>	_____

( )  
Name \_\_\_\_\_ Phone Number (Including Area Code) \_\_\_\_\_  
Street Address (NOT P.O. BOX) \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

### Instructions

1. You may request single copies of these free publications by returning this Order Form or calling the Commission office (919) 875-3700, menu option 3.
2. To order multiple copies of these publications, please complete this Order Form and return it to the N.C. Real Estate Commission, P.O. Box 17100, Raleigh, N.C. 27619-7100. Attention: Publications.
3. Please allow two weeks for delivery.
4. Please understand that orders of more than 50 copies require special consideration.
5. The Residential Property Disclosure Statement and Guidelines may be duplicated as needed.





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

**Skills**

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

- ☐ Driver's License \_\_\_\_\_ Number \_\_\_\_\_ State \_\_\_\_\_
- ☐ Chauffeur's license \_\_\_\_\_ Number \_\_\_\_\_ State \_\_\_\_\_
- ☐ Car for use at work \_\_\_\_\_

- ☐ Sign language \_\_\_\_\_
- ☐ Foreign language (specify) \_\_\_\_\_
- ☐ Adding machine/calculator \_\_\_\_\_
- ☐ Typing (specify WPM) \_\_\_\_\_
- ☐ Shorthand/speedwriting (specify WPM) \_\_\_\_\_

- ☐ Legal transcription
- ☐ Medical transcription
- ☐ Braille
- ☐ Word Processing
- ☐ 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	Ending or Current Salary	Reason for Leaving
			\$ per	\$ per	
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	Ending Salary	Reason for Leaving
			\$ per	\$ per	
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	Ending Salary	Reason for Leaving
			\$ per	\$ per	
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

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:					

## Copy and attach additional sheets if needed.

### Equal Opportunity Information

State Government policy prohibits discrimination based on race, sex, color, creed, national origin, age or disability. Sex or age 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><b>Date of Birth</b></p> <table style="width:100%;"> <tr> <td style="text-align: center;"> <input type="text"/> (mo.)         </td> <td style="text-align: center;"> <input type="text"/> (day)         </td> <td style="text-align: center;"> <input type="text"/> (year)         </td> </tr> </table> <p><b>Check One</b></p> <p>SEX <input type="checkbox"/> M (male) <input type="checkbox"/> F (female)</p> <p><b>ETHNIC GROUP</b></p> <ol style="list-style-type: none"> <li>1. <input type="checkbox"/> White (non-Hispanic)</li> <li>2. <input type="checkbox"/> Black (non-Hispanic)</li> <li>3. <input type="checkbox"/> Hispanic (Mexican, Puerto Rican, Cuban, Central or South American, other Spanish origin regardless of race)</li> <li>4. <input type="checkbox"/> Asian (including Pacific Islander)</li> <li>5. <input type="checkbox"/> American Indian (including Alaskan native)</li> </ol>	<input type="text"/> (mo.)	<input type="text"/> (day)	<input type="text"/> (year)	<p><b>DISABILITY:</b> "Disability means, with respect to an individual: (1) a physical or mental impairment that substantially limits one or more of the major life activities of such individual; (2) a record of such an impairment; or (3) being regarded as having such an impairment" (Americans with Disabilities Act of 1990). Persons without a disability should check item A.</p> <p>The reporting of a disability is strictly <b>VOLUNTARY</b>. Persons with disabilities who <b>DO NOT WISH</b> to report their disabilities should check item A. Information reported on this form will be kept confidential as required by State law. Public disclosure of this information without your consent would be a violation of G.S. 126-27.</p> <table style="width:100%;"> <tr> <td style="vertical-align: top;"> <p><b>A</b> <input type="checkbox"/> None/Prefer not to report</p> <p><b>B</b> <input type="checkbox"/> Blind or severely visually impaired</p> <p><b>C</b> <input type="checkbox"/> Deaf or severely hearing impaired</p> <p><b>D</b> <input type="checkbox"/> Loss or limited use of arms and/or hands</p> <p><b>E</b> <input type="checkbox"/> Non-ambulatory (must use wheelchair)</p> <p><b>F</b> <input type="checkbox"/> Other orthopedic impairment (including amputation, arthritis, back injury, cerebral palsy, spina bifida, etc.)</p> </td> <td style="vertical-align: top;"> <p><b>G</b> <input type="checkbox"/> Respiratory impairment</p> <p><b>H</b> <input type="checkbox"/> Nervous system/Neurological disorder</p> <p><b>I</b> <input type="checkbox"/> Mentally restored</p> <p><b>J</b> <input type="checkbox"/> Mental retardation</p> <p><b>K</b> <input type="checkbox"/> Learning disability</p> <p><b>L</b> <input type="checkbox"/> Others (heart disease, diabetes, speech impairment)</p> <p><b>M</b> <input type="checkbox"/> Other (please specify) _____</p> </td> </tr> </table>	<p><b>A</b> <input type="checkbox"/> None/Prefer not to report</p> <p><b>B</b> <input type="checkbox"/> Blind or severely visually impaired</p> <p><b>C</b> <input type="checkbox"/> Deaf or severely hearing impaired</p> <p><b>D</b> <input type="checkbox"/> Loss or limited use of arms and/or hands</p> <p><b>E</b> <input type="checkbox"/> Non-ambulatory (must use wheelchair)</p> <p><b>F</b> <input type="checkbox"/> Other orthopedic impairment (including amputation, arthritis, back injury, cerebral palsy, spina bifida, etc.)</p>	<p><b>G</b> <input type="checkbox"/> Respiratory impairment</p> <p><b>H</b> <input type="checkbox"/> Nervous system/Neurological disorder</p> <p><b>I</b> <input type="checkbox"/> Mentally restored</p> <p><b>J</b> <input type="checkbox"/> Mental retardation</p> <p><b>K</b> <input type="checkbox"/> Learning disability</p> <p><b>L</b> <input type="checkbox"/> Others (heart disease, diabetes, speech impairment)</p> <p><b>M</b> <input type="checkbox"/> Other (please specify) _____</p>
<input type="text"/> (mo.)	<input type="text"/> (day)	<input type="text"/> (year)				
<p><b>A</b> <input type="checkbox"/> None/Prefer not to report</p> <p><b>B</b> <input type="checkbox"/> Blind or severely visually impaired</p> <p><b>C</b> <input type="checkbox"/> Deaf or severely hearing impaired</p> <p><b>D</b> <input type="checkbox"/> Loss or limited use of arms and/or hands</p> <p><b>E</b> <input type="checkbox"/> Non-ambulatory (must use wheelchair)</p> <p><b>F</b> <input type="checkbox"/> Other orthopedic impairment (including amputation, arthritis, back injury, cerebral palsy, spina bifida, etc.)</p>	<p><b>G</b> <input type="checkbox"/> Respiratory impairment</p> <p><b>H</b> <input type="checkbox"/> Nervous system/Neurological disorder</p> <p><b>I</b> <input type="checkbox"/> Mentally restored</p> <p><b>J</b> <input type="checkbox"/> Mental retardation</p> <p><b>K</b> <input type="checkbox"/> Learning disability</p> <p><b>L</b> <input type="checkbox"/> Others (heart disease, diabetes, speech impairment)</p> <p><b>M</b> <input type="checkbox"/> Other (please specify) _____</p>					

## REAL ESTATE COMMISSION EMPLOYMENT OPPORTUNITY

## APPLICATION FOR EMPLOYMENT

### Instructions

#### Completion of Application Form (pages 13-15)

1. Use black ink 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 Résumé" 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 writing sample (articles, reports, papers, etc. prepared by the applicant), and **may** submit a Résumé.

#### 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. Application for Employment and related materials must be received in the Real Estate Commission Office by August 23, 1999.

#### Employment Schedule

August 23	Application Deadline
September 2	Preliminary Interviews
September 8	Final Interviews and Decision
October 1	Employment Date (date negotiable)

The following job description summarizes a position 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.

### Information Officer

**Salary:** Beginning Salary Range \$28,895 - \$30,338 (depending upon qualifications)

**Benefits:** Blue Cross health insurance; 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.

#### Minimum

**Qualifications:** Bachelor's degree, a real estate license and one year of experience in general real estate brokerage, or an equivalent combination of education and experience. Must relocate to Raleigh or vicinity.

#### Other

**Requirements:** In addition to a properly completed Application for Employment form, applicants **must** submit a writing sample (articles, reports, papers, etc. prepared by the applicant).

## EQUAL OPPORTUNITY EMPLOYER



# Disciplinary action

*Penalties for violations of the Real Estate License 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.*

**ELIZABETH A. ANDERSON** (Advance) - By Consent, the Commission reprimanded Ms. Anderson effective March 10, 1999. The Commission found that Ms. Anderson had failed to properly maintain the trust accounts of the real estate firm where she was broker-in-charge.

**DAVID J.C. BERRY** (Raleigh) - By Consent, the Commission reprimanded Mr. Berry effective March 24, 1999. The Commission found that Mr. Berry, as broker-in-charge of a brokerage firm in 1996, had been responsible for reviewing language that was added to paragraph 16 of the standard form offer to purchase and contract, and that the language was not readily distinguishable from the pre-printed language of the form. The Commis-

sion noted that Mr. Berry no longer uses those forms in his business. The Commission further noted that an audit revealed that the company's trust account records were in good form.

**BRYANT REALTY, INC.** (Charlotte) - By Consent, the Commission reprimanded Bryant Realty, Inc. effective March 24, 1999. The Commission found that Bryant Realty, Inc. had negligently omitted a material fact regarding the sale of lots in a subdivision before the subdivision had been approved as required by local ordinance. Bryant Realty, Inc. neither admitted nor denied any misconduct.

**WILLIAM L. BRYANT** (Charlotte) - By Consent, the Commission reprimanded Mr. Bryant effective March 24, 1999. The Commission found that the firm for which Mr. Bryant was broker-in-charge made a negligent omission of a material fact regarding the sale of lots in a subdivision before the subdivision had been approved as required by local ordinance. Mr. Bryant neither admitted nor denied any misconduct.

**GERALD M. CANDLER** (Asheville) - The Commission accepted the permanent voluntary surrender of Mr. Candler's broker license effective March 24, 1999. The Commission dismissed without prejudice charges that Mr. Candler had violated provisions of the Real Estate License Law and Commission rules in connection with his handling and accounting for the funds of others. Mr. Candler neither admitted nor denied any misconduct.

**JOSEPH L. COLLINS** (Matthews) - By Consent, the Commission reprimanded Mr. Collins effective March 24, 1999. The Commission found that Mr. Collins had negligently omitted a material fact regarding the sale of lots in a subdivision before the subdivision had been approved as required by local ordinance. Mr. Collins neither admitted nor denied any misconduct.

**GAYLE W. COOK** (Charlotte) - The Commission revoked Ms. Cook's salesman license effective March 24, 1999. The Commission found that Ms. Cook had made a false or fraudulent representation on her application for real estate licensure in October of 1996; i.e., Ms. Cook had answered "no" to the application question, "Have you ever been convicted of any criminal offense . . . ?" In fact, in December of 1995, Ms. Cook had pled guilty in Virginia to the criminal charge of Leaving the Scene of an Accident Involving Personal Injury or Death.

## Commission Staff Update

*(continued from page 12)*

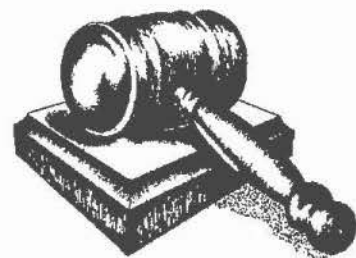
and related groups since the last issue of the *Bulletin*. Assistant Director of Legal Services **Miriam J. Baer** addressed the Kerr Lake Board of REALTORS®, a meeting and symposium of the N.C. Chapter of Certified Residential Brokers, and the Greenville Area Property Managers Association...At the 1999 American Resort Development Association (ARDA) Convention and Exposition in Orlando, Florida, Deputy Legal Counsel **Janet B.**

**Thoren** participated in a panel discussion entitled "Meet the State Regulators"; Janet also addressed the Hendersonville Board of REALTORS®



*(Individuals and groups requesting a speaker from the Real Estate Commission are reminded that a "Request for Program Presenter" form is available from the Commission Office or by calling (919) 850-2757 for Document No. 510.)* □

*(continued on page 18)*



# Disciplinary action

(continued from page 17)

CLYDE E. CORBETT (Burlington) - By Consent, the Commission reprimanded Mr. Corbett effective March 1, 1999. The Commission found that while acting as a dual agent in the sale of a house and lot in 1996, Mr. Corbett had failed to notify his seller clients that prior to closing, the buyers had demanded a cash payment as a remedy for their claim that the living area of the house had been misrepresented. The Commission also found that Mr. Corbett, without the seller clients' knowledge or authority, had commenced negotiations to reimburse the buyers for certain expenses incurred to date if the buyers decided not to go through with the contract. The Commission further found that the transaction closed only after Mr. Corbett and the sellers had agreed to rebate \$5,000 to the buyers, and that the payment was not properly reported on the closing statement.

BARBARA J. DARDEN (Hendersonville) - By Consent, the Commission suspended Ms. Darden's broker license for six months effective April 16, 1999. The Commission then stayed the suspension for a probationary term of six months. The Commission found that Ms. Darden, as broker-in-charge of a real estate firm, had failed to assure that a salesman under her supervision had properly established and documented the salesman's agency relationship with a seller and buyer of a building lot. The Commission further found that Ms. Darden had assisted the salesman in a transaction wherein Ms. Darden and the salesman had created inconsistent "contract for deed" documents, had closed the transaction without the assistance of an attorney and had failed to assure that all signatures were properly notarized, and that Ms. Darden had failed to adequately supervise the activities of the salesman in the transaction.

GLENN A. DARST (Durham) - By Consent, the Commission suspended Mr. Darst's broker license for two months effective April 1, 1999. The Commission then stayed the suspension for a probationary term of one year. The Commission found that Mr. Darst had offered for sale and prepared contracts for unapproved subdivision lots. The Commission noted that although closings were delayed due to the lack of subdivision approval, no consumers have been harmed. The Commission also noted that Mr. Darst cooperated with the Commission's investigation of this matter.

DEBORAH L. (DIETRICH) DAVIDSON (Hendersonville) - By Consent, the Commission suspended Ms. Davidson's salesman license for six months effective April 16, 1999. One month of the suspension is to be active and the remaining period stayed for a probationary term of five months. The Commission found that Ms. Davidson had failed to obtain a written listing contract when she undertook to be a "local contact" for a seller of building lots, and that she had failed to adequately establish and document her agency relationship with a buyer interested in purchasing one of the seller's lots. The Commission further found that Ms. Davidson had created "contract for deed" documents that contained inconsistent provisions and that identified her as a "dual agent" even though she had no written agency agreement with either party in her file.

MARY L. ETOWSKI (Fayetteville) - By Consent, the Commission suspended Ms. Etowski's broker license for two years effective January 1, 1997. The Commission then stayed the suspension for a probationary term of one year. During 1992, an audit of Ms. Etowski's trust accounts by the Commission's auditors revealed a

shortage. The Commission found that Ms. Etowski had failed to adequately supervise her trust accounts and that an unlicensed bookkeeper in Ms. Etowski's employ had embezzled funds from the account. The Commission noted that Ms. Etowski replaced the embezzled funds and corrected her bookkeeping to conform to the Commission's rules.

JAMES D. GRIFFIN, JR. (Holden Beach) - By Consent, the Commission revoked Mr. Griffin's broker license effective April 1, 1999. The Commission found that Mr. Griffin had failed to maintain and retain records sufficient to verify the accuracy and proper use of the trust or escrow accounts; instead, Mr. Griffin had allowed a licensed salesman to run the firm in his stead. The Commission further found that an audit of Mr. Griffin's trust account revealed a shortage of at least \$27,000, after the salesman had deposited \$20,000 of his own money into the trust account. The Commission noted that there was no evidence to indicate that Mr. James Griffin had created the shortage.

JAMES B. HARVEY (Littleton) - By Consent, the Commission revoked Mr. Harvey's broker license effective April 14, 1999. The Commission found that Mr. Harvey, while broker-in-charge of a real estate firm, had failed in his duty to maintain adequate records of monies entrusted to the firm by and for others.

JIM HARVEY REALTY, INC. (Littleton) - By Consent, the Commission revoked Jim Harvey Realty, Inc.'s broker license effective April 14, 1999. The Commission found that Jim Harvey Realty, Inc. had failed to deposit or maintain on deposit in the firm's trust accounts, monies received by the firm for others.

(continued on page 19)

# Disciplinary action

(continued from page 18)

**RONALD C. HENRY (Fayetteville)** - The Commission revoked Mr. Henry's broker license effective February 24, 1999. The Commission found that Mr. Henry had engaged in real estate brokerage and falsely represented that he was an active broker while his real estate license was expired, and that he had failed to disclose to the seller's agent that he represented the buyer's interests in the brokerage transaction. The Commission also found that Mr. Henry had failed to produce the records requested by the Commission's authorized representatives, and that he had failed to notify the Commission in writing of his change of business address or residence address. The Commission further found that Mr. Henry had not disclosed a pending investigation by the Commission when he applied for a real estate broker license in Georgia, and that he had altered the Commission's Certification of Licensure to eliminate reference to the investigation.

**TIMOTHY W. HERRING (Cary)** - The Commission accepted the voluntary surrender of Mr. Herring's salesman license for one year effective January 1, 1999. The Commission dismissed without prejudice charges that Mr. Herring had violated the Real Estate License Law and the rules of the Commission in the conduct of his own real estate transactions.

**HAYWOOD A. HUGHES (Raleigh)** - The Commission accepted the voluntary surrender of Mr. Hughes' salesman license for two years effective April 1, 1999. The Commission dismissed without prejudice charges that Mr. Hughes had violated various provisions of the Real Estate License Law and the administrative rules of the Commission. Mr. Hughes neither admitted nor denied any misconduct.

**JEFFREY A. LEE (Holden Beach)** - By Consent, the Commission reprimanded Mr. Lee effective March 5,

1999. The Commission found that Mr. Lee had failed, within a reasonable time, to account for the earnest money deposit belonging to a potential buyer in a real estate transaction. The Commission further found that Mr. Lee had failed to deposit and maintain the earnest money in a designated trust or escrow account.

**LIFESTYLE HOMES & REALTY, INC. (Clemmons)** - The Commission accepted the voluntary surrender of Lifestyle Homes & Realty, Inc.'s broker license for two years effective March 1, 1999. The Commission dismissed without prejudice charges that Lifestyle Homes & Realty, Inc. had violated the Real Estate License Law and rules of the Commission in the conduct of a real estate brokerage business.

**BANFF F. LUTHER (Elizabeth City)** - The Commission accepted the voluntary surrender of Mr. Luther's salesman license for two years effective April 1, 1999. The Commission dismissed without prejudice charges that Mr. Luther had violated various provisions of the Real Estate License Law and the administrative rules of the Commission. Mr. Luther neither admitted nor denied any misconduct.

**DANIEL D. MARRS (Thomasville)** - By Consent, the Commission revoked Mr. Marrs' broker license effective May 1, 1999. The Commission found that Mr. Marrs, as a state-certified real estate appraiser, had used comparable sales data which was inaccurate and unverifiable, and that the North Carolina Appraisal Board had suspended Mr. Marrs' certificate in 1997. The Commission further found that in a different case during 1997, Mr. Marrs had consented to the voluntary surrender of his appraisal certificate.

**WILLIAM E. NORTINGTON (Clemmons)** - The Commission accepted the voluntary surrender of Mr. Northington's broker license for two years effective March 1, 1999. The

Commission dismissed without prejudice charges that Mr. Northington had violated the Real Estate License Law and rules of the Commission in the conduct of a real estate brokerage business.

**RAYMOND R. PECAUT (Durham)** - By Consent, the Commission reprimanded Mr. Pecaut effective April 12, 1999. The Commission found that Mr. Pecaut had offered for sale unapproved subdivision lots. The Commission noted that although closings were delayed due to the lack of subdivision approval, no consumers have been harmed. The Commission also noted that Mr. Pecaut cooperated with the Commission's investigation of this matter.

**SAND PEDDLER REALTY, INC. (Holden Beach)** - By Consent, the Commission revoked Sand Peddler Realty, Inc.'s broker license effective April 1, 1999. The Commission found that Sand Peddler Realty, Inc. had failed to maintain and retain records sufficient to verify the accuracy and proper use of the trust or escrow accounts. The Commission further found that an audit of the firm's trust account in October 1997 revealed a shortage of at least \$27,000 after \$20,000 had been deposited into the account.

**PRIS W. SANTOS (Burlington)** - By Consent, the Commission reprimanded Ms. Santos effective March 1, 1999. The Commission found that while acting as a dual agent in the sale of a house and lot in 1996, Ms. Santos had failed to notify her seller clients that prior to closing, the buyers had demanded a cash payment as a remedy

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# Disciplinary action

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for their claim that the living area of the house had been misrepresented. The Commission also found that Ms. Santos, without the seller clients' knowledge or authority, had commenced negotiations to reimburse the buyers for certain expenses incurred to date if the buyers decided not to go through with the contract. The Commission further found that the transaction closed only after the sellers and another agent involved in the transaction agreed to rebate \$5,000 to the sellers, and that the payment was not properly reported on the closing statement.

SHOWCASE REALTY, INC. (Fayetteville) - By Consent, the Commission suspended Showcase Realty, Inc.'s broker license for two years effective January 1, 1997. The Commission then stayed the suspension for a probationary term of one year. During 1992, an audit of Showcase Realty, Inc.'s trust accounts by the Commission's auditors revealed a shortage. The Commission found that Showcase Realty, Inc. had failed to adequately supervise its trust accounts and that an unlicensed bookkeeper in the corporation's employ had embezzled funds from the account. The

Commission noted that Showcase Realty, Inc. replaced the embezzled funds and corrected its bookkeeping to conform to the Commission's rules.

JOYANN M. WALTHER (Littleton) - By Consent, the Commission revoked Ms. Walther's salesman license effective March 1, 1999. The Commission found that Ms. Walther had failed to maintain adequate records of monies entrusted to her by and for others on behalf of the real estate firm where she was employed as a salesman. ■



## *On the inside...*

New Commission  
Member

New Commission  
Officers

Legislation  
enacted

Commission  
Facts and Figures

Sales & Use Tax  
relating to property  
management

Trust Account  
Caravan

Educators Conference

Senior Applications  
Specialist retires

Commission Calendar

Employment  
Opportunity

*...and more.*

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The Commission reminds you that your license status as "ACTIVE" or "INACTIVE" appears on the mailing label affixed below. (Look at the top line directly to the right of the date.) Please check your label each time you receive your quarterly *Real Estate Bulletin* to be sure that you are in agreement with the Commission's records of your status. ■

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