



NORTH CAROLINA
REAL ESTATE LICENSING BOARD

Real Estate Bulletin

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New Rules and Regulations Adopted

Preview on Page 3

The new Administrative Procedure Act (General Statute 150-A) enacted by the General Assembly in 1975 required that Rules and Regulations of most Licensing Boards and certain governmental agencies be revised and set forth in a form prescribed by the Attorney General's Office as of February 1, 1976. Although the new Rules and Regulations were adopted by the Licensing Board at its January Board meeting and filed with the Attorney General's Office on January 27, 1976, printing of the Rules and Regulations and notification to the

licensees was delayed pending approval of the Rules and Regulations by the Attorney General's Office. However, we have now been informed that final approval by the Attorney General's Office may not be received for several months. You are therefore advised that the Rules and Regulations in their present form are subject to revision by the Attorney General's Office, although it is our understanding that the substance of the Rules will not be changed. In addition to Rules and Regulations relating to general brokerage activities, licen-

sing requirements and procedures, the new Rules and Regulations also contain information relating to such areas as administrative hearings and rule making as required under the Administrative Procedure Act.

Every licensee will be mailed a copy of the new Rules and Regulations within the next week and the Board strongly advises each licensee to carefully study and review them in order to avoid possible violations. It cannot be overemphasized that violation of any rule

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NEW BOARD MEMBER



James Edward Poole

James Edward Poole of Spring Lake has been appointed a member of the North Carolina Real Estate Licensing Board by Governor James E. Holshouser, Jr. for a term expiring July 31, 1978.

Owner of Poole Realty and Insurance Co. of Fayetteville, Inc., Mr. Poole stays very active in community affairs. He is a life-long member of Cedar Falls Baptist Church, a 32nd degree Mason and Shriner, a member of the Woodmen of the World and Cape Fear Engineers Club. Currently he is serving as 7th District GOP Chairman.

Mr. Poole attended Fayetteville and Cumberland County schools, North Carolina State College, and Sperry Engineering School of New York. He served in the U. S. Navy during World War II.

Married to the former Jewell Byrd, they have three children.

TENNEY RE-APPOINTED

Edwin W. Tenney, Jr. of Chapel Hill was re-appointed to the Licensing Board by Governor Holshouser on December 15, 1975 for a new term expiring July 31, 1978.

Mr. Tenney, who currently serves as Vice Chairman of the Board and Vice President of the North Central District of the National Association of Real Estate License Law Officials, was originally appointed to the Licensing Board by Governor Holshouser on February 20, 1974.

REAL ESTATE BULLETIN

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

NORTH CAROLINA REAL ESTATE LICENSING BOARD

813 BB&T Bldg.

Raleigh, North Carolina 27602

James E. Holshouser, Jr., Governor

BOARD MEMBERS

C. Bayless Ridenhour,
Chm. Concord
Edwin W. Tenney, Jr.,
V. Chm. Chapel Hill
Joe O. Brewer Wilkesboro
Rufus L. Brock Mocksville
Billy E. Hinton Clayton

Blanton Little Sec'y.-Treas.
Phillip T. Fisher Admin. Asst.

NEW RULES AND REGULATIONS

(Continued from Page 1)

or regulation promulgated by the Board can result in suspension or revocation of a real estate license.

To provide real estate schools and applicants for licenses adequate time to become thoroughly acquainted with the New Rules and Regulations, licensing examinations given prior to August 1, 1976 will include questions dealing with only those Rules and Regulations contained in both the old and new Rules and Regulations.

See page 3 of this Bulletin for a preview of some of the important additions and changes which will affect your day to day real estate operations.

FORMER BOARD MEMBER PASSES

The Board extends its deepest sympathy to the family of D. Russell Foster, Jr., Kinston, former member and Chairman of the Licensing Board, who died January 27, 1976.

RECIPROCITY

Reciprocity with the Texas Real Estate Commission has been suspended insofar as waiver of examination for real estate license is concerned. However, the North Carolina Real Estate Licensing Board is pleased to announce that a reciprocal licensing agreement has been recently entered into with the Kentucky Real Estate Commission whereby an individual duly licensed by one of these licensing agencies may be licensed as a non-resident licensee by the other licensing agency in the same capacity without having to comply with any additional requirements, provided (among other things) an individual applying for a broker's license has held a broker's license in his resident state for a continuous period of not less than two years, an individual applying for a salesman's license has held a salesman's license in his resident state for a continuous period of not less than one year, and an individual applying for a broker's license shall maintain an active place of business in the state by which he is originally licensed.

Requests for applications for non-resident licenses in Kentucky should be directed to:

Kentucky Real Estate Commission
100 E. Liberty St., Suite 204
Louisville, Kentucky 40202
(Phone: 502/582-2771)

LAND VALUES—GUINNESS BOOK OF WORLD RECORDS

As of June 30, 1966, the world's largest land owner was the United States Government, with a holding of 765,291,000 acres (1,185,787 square miles) including 529,000 acres outside of the United States. The total value at cost was \$69,-357,000,000.

When Willem Verhulst bought Manhattan Island, New York, before June, 1626, by paying the Brooklyn Indians (Canarsees) with trinkets and cloth valued at 60 guilders (equivalent to \$39), he was buying land now worth up to \$425 per square foot for 0.2 of a cent per acre — a capital appreciation of 9,000,000,000-fold.

JOE SCHWEIDLER MEMORIAL SCHOLARSHIP

The Licensing Board has approved the establishment of a scholarship award to be known as the "Joe Schweidler Memorial Scholarship." This award is for educational purposes and shall consist of one tuition fee for "Course C" to the student in the first "Course B" class offered by the North Carolina Real Estate Educational Foundation in the calendar year who completes the course with the highest scholastic average. Although the Licensing Board cannot commit future Boards for this award, it is the present Board's wish that future Boards continue this award on an annual basis in memory of Mr. Schweidler, who served as Secretary-Treasurer of the Board from July, 1960 until his death on July 20, 1975.

The scholarship was approved and accepted by the North Carolina Real Estate Educational Foundation Board of Directors in December, 1975.

HOUSING FOR THE ELDERLY FUNDED

Congress authorized HUD to provide \$375,000,000 during fiscal year 1976 for 100 percent permanent financing loans for the construction or rehabilitation of housing for the elderly and the handicapped under Section 202 of the Housing Act of 1959, as amended.

(Colorado Real Estate News)

The greatest land auction ever was that on September 11, 1969, for 179 tracts of 450,858 acres of North Slope, Alaska. The highest single bid was one of \$72,277,133 by Amerada Hess and Getty Oil.

The historic example of low land values is the Alaska Purchase of March 30, 1867, when William Henry Seward, the Secretary of State, agreed that the United States should buy the whole territory from the Russian Government of Czar Alexander II for \$7,200,000 — equivalent to 1.9 cents per acre.

(Reprinted from the Mississippi Real Estate Hot Line.)

PREVIEW

Several New Rules and Regulations

Complete Copy to be Sent to Each Licensee

.0102 Branch Office

In addition to his principal place of business, a licensed broker may maintain one or more branch offices under the same business name at different locations. A licensed broker who maintains a branch office 50 or more miles from such broker's principal office must employ a licensed real estate broker to actively manage such office and to supervise the real estate salesmen working from such branch office; the license of the broker employed to actively manage such branch office shall be displayed in the branch office.

.0104 Listing Contracts

Every written listing contract shall provide for its existence for a definite period of time and for its termination without prior notice at the expiration of that period. It shall not require an owner to notify a broker of his intention to terminate the listing.

.0106 Delivery of Instruments

Every real estate broker or real estate salesman shall immediately, but in no event later than five days from the date of execution, deliver to the parties thereto copies of any contract, offer, lease, or option affecting real property.

.0107 Handling and Accounting of Funds

(a) All monies received by a real estate broker acting in his fiduciary capacity shall be deposited in a trust or escrow account within 72 hours of receipt. All monies received by a real estate salesman shall be delivered immediately to the broker by whom he is employed.

(b) Closing statements shall be furnished to the buyer and the seller in the transaction at the closing or not more than five days after closing.

.0108 Retention of Records

Real estate brokers shall retain records of all transactions conducted in such capacity for a period of three years. Such records shall include contracts of sale, written leases, listing contracts, options, offers to purchase, trust records, earnest money receipts, closing statements and any other records pertaining to real estate transactions.

.0504 Inactive License Status

(a) A real estate broker or salesman may return his license to the Board and have such license placed on an inactive status. Inactive licenses may be renewed upon the payment of the regular \$10.00 annual renewal fee and, if so renewed, may be reactivated at any time within three years following placement on inactive status without re-examination by making written request to the Board and paying \$1.00 fee for re-issuance of license.

(b) In the event a license has been on inactive status for a continuous period of more than three years, the Board may, in its discretion, subject the holder of such license to the requirements of an original applicant.

(c) The holder of an inactive license shall not be entitled to act in any capacity for which a license is required until his license has been reactivated. Inactive licenses may be revoked or suspended by the Board when conditions exist under which an active license could be revoked or suspended.

.0506 Salesman to be Associated with and Supervised by Broker

A salesman's license is valid only while he is associated with and supervised by a broker. Upon termination of such association, the broker shall immediately endorse the back of the salesman's license, showing date of termination, and return same to the Board for inactive status or transfer. The salesman concerned may have his license re-issued and transferred to a new broker by filing a prescribed transfer form with \$1.00 fee. These forms are available upon request to the Board.*

*A return to this procedure is deemed necessary in order to assure that the salesman's reissued license is mailed to the salesman at the new broker's address for display in that broker's office.

EXAMINATION RESULTS

Examination — January, 1976

	Passed	Failed
Brokers	634	192
Salesmen	94	41

Examination — February, 1976

	Passed	Failed
Brokers	101	116
Salesmen	6	22

DISCIPLINARY ACTION

N. E. WILSON, Winston-Salem — Broker's License No. 01988 — No hearing requested. License revoked in accordance with G.S. 150-11(c).

DANNY BOST, Concord — Broker's License No. 23046 — Consent Judgment of reprimand for violation of G.S. 93A-6(a)(13).

H. FRANK FAUCETTE, JR., Raleigh — Broker's License No. 02220 — License suspended for three months for violation of G.S. 93A-6(a)(7), (8).

ROBERT E. LINTON, Greensboro — Broker's License No. 19114 — No hearing requested. License revoked in accordance with G.S. 150-11(c).

License Renewal

This is a reminder that all real estate licenses expire on June 30, 1976. Separate renewal forms will be mailed to all brokers, salesmen and corporations sometime during the middle of May, 1976. Anyone not receiving a renewal form by June 1, 1976 should contact the Board office for a duplicate form. Please be sure to furnish the Licensing Board office in writing any change of business address immediately if you have not previously done so in order that you may be assured of receiving your renewal application.

The Board has decided to continue renewing applications on a one year renewal plan rather than the three year renewal plan which had been considered.

On SALESMAN renewal application forms this year the name of the sponsoring (supervising) broker under whom the salesman is licensed will be printed on the renewal application. Renewal applications which do not bear this broker's signature will be returned for proper signature by the sponsoring broker.

On CORPORATION renewal application forms the name of the principal broker of the corporation

will also be printed on the application. All renewal applications which do not bear this broker's signature will be returned for proper signature by the principal broker.

Your cooperation in returning each completed renewal application and fee as promptly as possible after receipt will assist the Board immeasurably in the processing of the large numbers of renewals during the six week renewal period.

ADVICE TO LICENSEES

The experience of the various Real Estate Commissions and Licensing Boards throughout the United States points conclusively to the fact that major problems incurred by real estate brokers and salesmen are caused by failure to reduce all agreements into writing. Therefore, to avoid differences between parties, the Board recommends that you reduce to writing all agreements concerning real estate transactions. The interests of all parties will be better protected, the transaction itself will proceed more smoothly, and you will enhance your reputation as a real estate professional.

Have Your Salesmen Read the Bulletin?

NORTH CAROLINA
REAL ESTATE LICENSING
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