

NEWSLETTER

Fall 2012 Issue

John R. Kasich
Governor of Ohio

David Goodman
Director of Commerce

Anne Petit
Superintendent

The "Climate" Is Improving (In More Ways than One): Suggestions for Continued Success by Superintendent Anne Petit



Anne M. Petit

Unlike the summer weather we experienced across most of Ohio, it appears that the dry spell in Ohio's housing market may be subsiding. While the "R" word (recovery) isn't being tossed around much yet, our housing market does appear to be rebounding to varying degrees across this great state. Likewise, the Division is beginning to see a slight increase in the number of applicants to sit for both the real estate and appraiser exams. Like any great economist, I can spin those two tidbits of information in any number of directions but I think I'll focus on a few practical suggestions for those of you who are working hard to adapt to what is likely to become our new "normal" in the real estate professions. I promise to make this brief in an effort to bring you not one, but TWO, guest columnists in this issue who are delivering still more real-life applicable information.

First, be nimble, but stay within your scope of competency. If you've never worked with a commercial licensee in writing an appraiser or a commercial appraisal, then working on the largest warehouse or strip mall deal is not the best place to start. In fact, it could prove hazardous for your client - and you. By the same token, it's not reasonable to expect to be able to sit down with a potential client and answer myriad questions on what to expect from the short sale of a residential property if you've practiced only in the industrial and commercial arena since the day you passed your license exam. As licensed and certified appraisers know, it's not that you CAN'T work in another arena; you just have an obligation to take the necessary steps to become knowledgeable and competent before doing so.

Second, don't let your guard down. My dad used to ask my siblings and me, "If your friend jumps off a bridge, are you going to follow her?" Be wary of anyone who promises to make short sale or foreclosure transactions quicker or easier for you or your client. I will be the first one to agree that everyone would be better served by a process that moves these types of transactions along a little faster. But delays related to certain transactions have much more to do with processes completely outside of those a licensee can legally and ethically control. There has been much discussion, and some disagreement, for instance, on when a foreclosure can be listed. The Division's guidance and policy, based on foreclosure statutes, has remained constant for years: a broker may enter into a listing agreement with the sheriff sale purchaser AFTER confirmation of the sale but prior to the issuance of the deed. Ultimately, remember that you are only required to follow a client's legal instruction. Not sure that what the client is instructing you to do meets that litmus test? Talk to your broker, brokerage counsel or give us a call.

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The Climate is Improving... by Superintendent Anne Petit con't

Third, deliver great client service, but know who your client IS. Okay...let's get past the poor sentence structure and focus on the real issue here. Not only must you know to whom you owe a fiduciary duty, but in the case of a listing/sale, it's your responsibility to ensure that everyone with an ownership interest gives consent to that listing/sale and receives the proper disclosures. The Ohio Real Estate Commission has seen a rash of enforcement cases where a licensee neglected to obtain signatures or consent from everyone listed on a deed. Unfortunate family squabbles or ugly turns to otherwise civil divorce proceedings always seem to materialize at the least opportune time. Make it your business to ensure that everyone who legally has a right to the property is appropriately involved.

Enjoy the fall season!

Comments from Commerce Director David Goodman:

Dear Real Estate Professionals,

Join me in Congratulating Superintendent Anne Petit on being named the Board of Directors alternate for District 1 of the Association of Real Estate License Law Officials. Anne has done excellent work for Ohio and she is eager to go to the table with other states to learn and share best practices. She is working for quality in your profession every day. She is working for you.



David Goodman

Among other work going on at the Department of Commerce, we are moving to issue an updated credential for our employees. The goal is to provide a high level of assurance that field personnel are readily identifiable as Commerce employees. Your safety and security are important to us. In addition to a photo, name and title, there is additional information so you may verify authenticity. Never hesitate to ask a Department of Commerce employee for identification.

Finally, I would like you to be aware of Governor John Kasich's proposal to modernize the state's tax system – specifically to cut your income tax. You may have heard me talk about it as I travel around the state. Our income taxes are too high and must be lowered to create jobs.

Just as Ohio is updating its environmental, health and safety regulations to keep pace with new technologies for the horizontal oil and gas wells, the tax policies associated with this industry must also be updated. Increased tax collections from the new industry will go directly back to Ohioans in the form of an income tax cut. This tax cut will be particularly beneficial to the 75% of small businesses – like some real estate businesses – that file taxes through personal tax returns. Lowering income taxes frees up money for people to invest back into their businesses so they can succeed, expand and create jobs. Small businesses, in aggregate, employ most Ohioans. Putting money in Ohioans' pockets will further fuel our economy.

As always, if I can be of any assistance to you, do not hesitate to let me know. David.goodman@com.ohio.gov.

Division News and Reminders

Governor Kasich Appoints New Members to the Ohio Real Estate Commission and Ohio Real Estate Appraiser Board

Governor John R. Kasich recently appointed new members to the Ohio Real Estate Commission and the Ohio Real Estate Appraiser Board.

Rowland S. (Tré) Giller, III, of Galena, Ohio, was appointed to the Ohio Real Estate Commission for a term through June 30, 2016. Mr. Giller has served as the Chief Executive Officer and President of Village Communities Franchising Services, LLC since it was formed in 2007. He oversees the management and operations of Village Communities, DRK Realtors, Metro Development, and Triangle Commercial Management, AP&L, and CCOS. Mr. Giller earned a bachelor's degree in history from Southern Methodist University.



**Rowland S. (Tré)
Giller, III,**



John D. McIntyre

John D. McIntyre, of Maumee, Ohio, was appointed to the Ohio Real Estate Appraiser Board for a term that runs through June 30, 2015. Mr. McIntyre has more than 20 years experience in the real estate valuation industry. He is the Chief Residential Appraiser and Senior Vice President of The William Fall Group. Mr. McIntyre has assisted in the growth of the company from a regional appraisal firm into a national firm covering 45 metropolitan areas of the United States. He is a Certified Residential Appraiser in Ohio, Kentucky, and Michigan and holds the residential designation of SRA from The Appraisal Institute. He earned his bachelor's degree from the University of Toledo.

Attention Ohio Real Estate Licensees

If your "home address" is a P.O. Box for purposes of receiving mail, please note that you must also provide the Division with the physical address of your residence, since, per law, our office is required to maintain that information. Questions? Please feel free to contact the Division at 614-466-4100.

Ensuring Compliance with Real Estate License Law: The Division is Here to Help

Important Information When Transferring Brokerages

The Division often receives questions from licensees about what happens to listings, pending sales, and earned commissions when a salesperson transfers to one brokerage from another. Below is a list of information that licensees should know when transferring brokerages – understanding these steps could help licensees avoid inadvertently violating Ohio real estate license law.

If the salesperson is permitted to take the listings to the new brokerage:

1. The original brokerage should release the buyer or seller from the agency agreement.
2. A new listing or buyer's agency agreement must be executed between the client and the new brokerage. In some circumstances, both will need to be redone.
3. The salesperson must also provide the new brokerage's consumer guide to agency relationship to the parties.
4. If an agency disclosure statement has already been signed and the purchase contract executed, a new agency disclosure statement is not necessary.
5. Listings cannot be advertised unless the property owner consents to the new brokerage's representation.
6. If the listing is in contract, earnest money relating to the transferred transaction retained in the original brokerage's trust account must be transferred to the new brokerage's trust account. The broker must receive written consent from both parties to transfer the earnest money to the new brokerage.

If the listings remain with the old brokerage:

1. The old brokerage should not allow the salesperson that transfers to a new brokerage to continue to work on the deal. Salespeople are prohibited from working for more than one brokerage at a time.
2. When the salesperson transfers, the broker will have to actively represent the client or assign the client to a new salesperson.
3. The brokerage may pay a commission to the transferring salesperson as long as the agent was actively licensed with the brokerage at the time the salesperson earned the commission.

Some advertising issues to remember:

1. A salesperson may not advertise or hold himself or herself out as being with a new brokerage until the day the license transfer application is filed with the Division and processed. "Holding oneself out" includes business cards and advertising such as yard signs, newspaper ads, website pages, and social networking announcements.
2. If the salesperson is taking listings to the new brokerage, those listings may not be advertised, including being listed in the MLS, with the new brokerage until the seller has signed a new listing agreement with the new brokerage.

Answers to a Common Question: What Services May My Personal Assistant Provide?

If a personal assistant is unlicensed, that individual may provide only clerical support services. They may file, take messages, and schedule appointments. An unlicensed personal assistant may not provide property-related information or services. For example, an unlicensed assistant may not provide details about a listed property.

If an unlicensed assistant is staffing an open house, that individual may greet people and distribute pre-printed materials. However, if a prospective buyer wants to discuss the property in more detail, the unlicensed assistant may not answer any property-related questions. The assistant would need to provide the licensee's card and contact information. The unlicensed assistant may also deliver documents, but they should not attempt to discuss or interpret them. Further, the unlicensed assistant should not sign documents on the licensee's behalf or on behalf of the client.

In contrast, an actively licensed personal assistant can provide all the real estate-related services that any licensed real estate agent can provide. The most important thing to remember is that a licensed personal assistant can only work in the name of and on behalf of the broker. Any commission checks, finder fees, or professional fees for the licensed personal assistant must be paid by the broker. A salesperson can only pay an assistant directly if that assistant is a regular employee of the salesperson, receives a W-2, and is paid for services that do not require a real estate license.

If licensees have questions about the services a personal assistant can provide, please contact the Division's Enforcement Section at 614-466-4100.

Frequently Asked Questions

Below are several of the most frequently asked questions being posed by licensees to Division staff, along with answers to the questions:

Q1: I have an asset manager calling and asking me to list a house for sale. The bank just bought the property at sheriff's sale yesterday. May I list the property now?

A1: The property may not be listed before the sheriff's sale has been confirmed by the Court. To do so would be a violation of R.C.4735.18(A)(20). The Division has held that it is not necessary to wait for the sheriff's deed to be formally issued, but confirmation must be officially obtained. You can check the County Clerk's Office or website to determine whether the confirmation has been issued.

Q2: I am the broker for a real estate company that does not engage in property management. However, my salespeople would like to start offering property management services on their own. Is this ok?

A2: No. A salesperson must run any and all property management and/or leasing activities through the broker with which the salesperson is licensed. If the salesperson offers property management services on their own, they would be in violation of license law.

Q3: My clients are always concerned about what happens to their earnest money. Where can I get more information about the disbursement of earnest money?

A3: R.C. 4735.24 specifically addresses the disbursement of earnest money connected to a real estate purchase agreement that is deposited into your brokerage's special or trust account. Your purchase contracts must include language with compliant provisions regarding earnest money and citing R.C. 4735.24. If the transaction closes, the earnest money must be disbursed pursuant to the terms of the purchase contract. <http://codes.ohio.gov/orc/4735.24>

Q4: I received an advisory letter, what should I do next?

A4: Read your letter carefully! Your advisory letter will tell you what actions you took that are a minor violation of license law and what actions you should take in the future to prevent you from being in violation of license law.

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Frequently Asked Questions continued ...

Q5: I am not due to renew for another year but I have finished all of my continuing education. Can I send in my renewal paperwork and money now?

A5: No. You may not file your renewal until two months prior to your renewal deadline.

Q6: I am starting a virtual office. May I use a P.O. Box as my business address?

A6: No. A real estate company is required to maintain a definite place of business in Ohio. A P.O. Box is not considered a definite place of business.

Q7: I just entered into a new property management agreement with an owner that had previously used an individual who did not have a license. What should I do to protect myself from any issues with the previous property manager?

A7: The most important steps you can take when beginning property management on any new building is to document what items you did and did not receive from the previous property manager. If there are current tenants, you should receive a copy of that tenant's file including the lease agreement. You should also find out whether any security deposits were held by the previous property manager. If that individual was holding the security deposits for the owner, then the security deposits should be transferred to your brokerage's property management trust account or to the owner depending on what your property management agreement states. If the previous property manager is not forthcoming with information or paperwork, you should document your attempts at obtaining that information. If you have more questions, please call the Division's Enforcement Section at 614-466-4100.

For Your Information

Familiar Faces, New Spaces: Recent Personnel Changes at the Division of Real Estate

The Division would like to introduce several staff members who have new positions and responsibilities in the Division's office.

Thomas Moore is serving as the Division's Education Compliance Administrator. His primary duties are to review continuing education offerings for real estate and appraisal programs to ensure that the proposed courses meet the legal guidelines. He also processes incoming course rosters from education providers. Prior to assuming this position, Thomas worked in several capacities in the Division since 2006. He holds a bachelor's degree from DeVry University in computer information systems.

Laurie Perin is the Division's Operations Manager and manages the Division's Operations team and serves as the Division's liaison to the Department's Fiscal, Human Resources, and Information Technology sections. In addition, Laurie serves as the Division's outreach coordinator, which includes preparation of the quarterly newsletter. Previously, she served as the Assistant to the Superintendent and the Division's Customer Service Manager. Laurie holds a bachelor's degree in political science and a master's degree in policy history, both from Bowling Green State University.

Traci Washington serves as the Assistant to the Superintendent and as the Division's Customer Service Manager. In this role, she assists the Superintendent with day-to-day operations and provides administrative support to the Ohio Real Estate Commission, the Ohio Real Estate Appraiser Board, and the Ohio Cemetery Dispute Resolution Commission. Traci also supervises four customer service representatives. She has more than 20 years experience in administrative, management, and operations roles for the State of Ohio. Traci holds a bachelor's degree in management and a master's degree in administration leadership from Central Michigan University.

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Recent Personnel Changes continued ...

The Division recently welcomed two new investigators to its enforcement team. Investigator Joseph “Eddie” Patterson joined the Appraiser Enforcement Section after serving as a Division customer service representative for two years and a member of the Department of Commerce’s Support Services team for three years. He is currently working towards an associate’s degree from Columbus State Community College and is also taking appraisal courses to enhance his knowledge of the appraisal industry. Sandy Gagle joined the Real Estate Enforcement team after working for the last three years as an Industry Safety Inspector for Commerce’s Division of Industrial Compliance. She has an associate’s degree from the University of Toledo Community and Technical College. The Division’s Enforcement Section investigates complaints received against licensees (including unlicensed real estate activity) and conducts audits of real estate brokerages and continuing education courses. The investigators also act as mediators for cases where both parties involved in the complaint request mediation.

Please join us in welcoming these individuals to their new positions!



Front Row (left to right): Traci Washington, Laurie Perin and Sandy Gagle. Back Row : Eddie Patterson, Thomas Moore,

And Now...A Word from Our Guest Columnists....

Multi-Facet Schemes of Mortgage Fraud and Their Consequences for the Unwary Real Estate Licensee

By Karl H. Schneider

As a result of the housing crisis, there has been a significant rise in mortgage fraud prosecutions by the federal government and State of Ohio. The increased prosecutions demonstrate the need for real estate brokers and salespersons to be increasingly wary of participating in real estate brokered transactions that do not pass the ‘smell test.’

Times have changed dramatically over the last 20 years in mortgage financing. Not long ago, mortgage lending was primarily “local.” Often the lender knew the borrower and something about the property that would collateralize the loan.

The move to the brokering of loans in the wake of the Savings & Loan crisis of the 1980s precipitated loan schemes not prevalent years earlier. True, lenders have to take some of the blame for underwriting negligence, lack of oversight, lax internal controls and the desire to aggressively book loans in a competitive market. Nevertheless, when mortgage financing models changed, lenders became more vulnerable to loan fraud. A rapid rise in property values fueled the fire of would-be schemers. Lenders were often happy to oblige, feeling secure in the collateral and creditworthiness of borrowers.

The scope of this article is to address multi-facet schemes of mortgage fraud and their consequences for the unwary real estate licensee. It is not intended to cover single-person frauds, which are also problematic but arise when a borrower individually misleads a lender into making a loan. The multi-faceted schemes are fraught with risks for real estate licensees. A licensee may unwittingly become a co-conspirator of a large mortgage fraud scheme while having done very little to gain than unflattering distinction.

Mortgage fraud is governed by federal and state criminal statutes. The federal crime of “bank fraud” (18 USC Sec. 1344) makes it a crime for anyone to knowingly participate in a scheme to defraud a financial institution. Ohio does not have a bank fraud criminal statute per se, but Ohio’s theft by deception statute can be applied to participants in the transaction alleging the loan proceeds were taken under false pretenses. In either case, federal and state prosecutors enjoy considerable success pursuing these prosecutions. In their arsenal is the ability to charge loan frauds as conspiracies, or as racketeering, where the penalties are severe, usually involving a prison sentence. Prison time is partially determined by the “loss” a financial institution suffers because of deception. Under conspiracy law, a participant need not be the central planner, nor know everything or everyone who may be involved. To support a conviction, a person must have done something that furthers the objective of the conspiracy, with knowledge of it. Here, the unsuspecting real estate licensee is at huge risk.

The lender’s vulnerability to an over-inflated appraisal in today’s mortgage market is great. Vulnerability to “subject to” appraisals, where listed repairs or renovations are not intended or completed is high. Many times the lender is at the mercy of the mortgage broker, where the lender can be misinformed through the application process. Misrepresentation over owner-occupant status or of a borrower’s income, deposits, and credit standing are often central to loan frauds. The use of straw purchasers has also become problematic. The lender is vulnerable to undisclosed contract addenda that materially changes the terms of the contract, essentially funding a loan on terms far different than those secretly agreed upon by the parties.

This article could not begin to address all variations on fraud schemes; but many require the efforts of multiple players who nearly always are motivated to receive disguised compensation out of the loan proceeds.

Variations of these schemes continue to occur, keeping federal and state prosecutors, regulators and their investigators busy. More resources continue to be devoted to both federal and state prosecutors. Both enjoy multi-jurisdictional task forces, some of which are shared. Often the task forces are comprised of agents from the FBI, IRS, HUD, Ohio Division of Real Estate & Professional Licensing, Ohio Division of Financial Institutions, Ohio Department of Insurance, and detectives from local jurisdictions. These task forces are seasoned and adept at spotting fraud schemes and building solid cases for eventual prosecution.



Karl Schneider

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Multi-Facet Schemes of Mortgage Fraud continued ...

Regardless of the pressures associated with the real estate brokerage business, real estate professionals should raise their awareness of fraud schemes that could lure the unsuspecting licensee. Real estate licensees would be well served to immediately hit their “refresh button” and be on guard for loan fraud schemes. Licensees should stay vigilant when approached to prepare an addendum at or near the time the principal contract comes to fruition, particularly if the requested changes deal with material terms such as price, distributions or concessions. Asking questions and engaging in due diligence above and beyond the industry norm in order to ensure that a lender is not being deceived, can reduce the risk of becoming a target in a mortgage fraud investigation. Better recognition of the lines between suspicious and acceptable undertakings can do wonders to reduce the licensee’s risk of criminal prosecution and then, without doubt, the sleepless nights that follow.

Editor’s Note: Karl H. Schneider is a partner of Maguire & Schneider, LLP and has been a trial attorney for 29 years, having tried mortgage fraud cases. A significant portion of his practice centers on the white collar criminal and professional liability defense of individuals and businesses. He frequently speaks to real estate trade professionals about risk reduction.

Verify Before You Buy: Property with Petroleum Underground Storage Tanks

By Madelin Esquivel

In these tough economic times, real estate professionals are seeing more and more business owners going into foreclosure or filing for bankruptcy. These unfortunate situations often lead to the sale of these properties for amounts significantly less than market value through auctions, sheriffs’ sales, or short sales. However, buyers should be wary, especially in instances in which petroleum underground storage tanks (USTs) exist on the property. Regardless of the intended use of the property or the USTs, the USTs may come with liabilities that could significantly lessen a perceived “great buy.”

First, many buyers are unaware of the potential liabilities concerning properties with USTs and purchase them with little investigation as to historical site usage. The operation of petroleum USTs often results in the contamination of soil and ground water through system leakage, overfills, or poor business practices. Purchasers of such properties who fail to perform an environmental assessment may have costly out-of-pocket expenses for the evaluation and cleanup of petroleum UST contamination or face an inability to sell the property in the future.

Second, the prior owner of the USTs may owe outstanding Financial Assurance Fund (Fund) fees. The Ohio Petroleum Underground Storage Tank Release Compensation Board (Board) administers the Fund, which is a source of money derived from mandatory annual per-tank fees. The Fund reimburses eligible owners for petroleum release clean-up costs up to \$1,000,000 minus a deductible. The Board’s rules require the payment of all per-tank Fund fees before a Certificate of Coverage (COC) may be issued for the USTs. Consequently, if a buyer purchases a property that has a UST system for which fees are outstanding, the buyer may be required to pay the previous owner’s outstanding fees, including per-tank and any late payment fees, in order to obtain a COC with the Fund.

The annual fees are \$600 per tank for the standard \$55,000 deductible and \$800 per tank for the reduced \$11,000 deductible (available to owners and operators of six or fewer USTs). UST owners who pay all outstanding fees and are in compliance with the rules regarding the operation and maintenance of USTs adopted by the Division of State Fire Marshal, Bureau of UST Regulations (BUSTR), are issued a COC for that program year. An owner who does not possess a valid COC at the time of a release or suspected release from a UST system is not eligible to receive reimbursement from the Fund for clean-up costs.



Madelin Esquivel

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Verify Before You Buy continued ...

When considering purchasing property with USTs, buyers are encouraged to include any outstanding Fund fees in the negotiations with the seller. For instance, a buyer may agree to pay the outstanding Fund fees in return for a reduced purchase price, or, alternatively, require the seller to provide proof of payment prior to the sale closing date.

Anyone can verify fee payment status as well as check the status of the COC on the Board's facility inquiry website at www.petroboardinquiry.org. If fees are outstanding or a COC has not been issued, contact the Board's Compliance Department at 614-752-8963 or 800-224-4659 (Ohio only) to determine the amount of the outstanding fees and the requirements for obtaining Fund coverage for the UST system. For more information about the State of Ohio's UST regulations, contact BUSTR at 614-752-7126 or visit its website at <http://www.com.ohio.gov/fire/bustmain.aspx>.

Editor's Note: Ms. Esquivel is the Assistant Director of the State of Ohio Petroleum Underground Storage Tank Release Compensation Board (PUSTR) and was formerly a member of the Division's administration staff.

Appraiser Alley

Superintendent Appointed to Association Committee

2012 Association of Appraiser Regulatory Officials (AARO) President Don Rodgers (NC) has appointed Superintendent Petit to serve on the organization's Budget and Finance Committee. The committee provides guidance and oversight to the association's manager on matters of budgeting, revenue and expenses. AARO, a 501(c)(6) organization, focuses on improving the administration and enforcement of real estate appraisal laws in member jurisdictions through communication, research, education and cooperation.

Stay Informed

Important Changes for Ohio Real Estate Appraisers

The Appraiser Qualifications Board (AQB) has made a number of significant changes related to the requirements needed to become an Ohio certified or licensed real estate appraiser or a registered real estate appraiser assistant. These changes will become effective between 2013 and 2015.

- **Effective July 1, 2013**, Ohio registered real estate appraiser assistants must be supervised by a state certified appraiser in order for the appraisal experience to count toward their experience hours. Experience hours obtained under the supervision of an Ohio licensed residential appraiser from July 1, 2013, and beyond will not count toward the appraiser applicant's experience hours. This change is based on the Appraisal Subcommittee's (ASC) requirement per the Dodd-Frank Act that all states meet or exceed the AQB minimum criteria for the licensing of registered appraiser assistants and licensed residential appraisers. For licensed residential real estate appraisers seeking to become certified real estate appraisers, any experience that is outside the scope of their license must be obtained while under the supervision of a certified real estate appraiser in order for that experience to count toward their experience hours.

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Important Changes for Ohio Real Estate Appraisers continued ...

- **Effective January 1, 2015**, the AQB has made the following changes for all appraiser applicants:

CHANGES TO COLLEGE LEVEL EDUCATION REQUIREMENTS		
CREDENTIAL	CURRENT REQUIREMENTS	1/1/15 REQUIREMENTS
Registered Appraiser Assistant	None	None
Licensed Residential Appraiser	None	30 semester credit hours of college level education from an accredited college, junior college, community college, or university OR an Associate's degree or higher (in any field).
Certified Residential Appraiser	21 semester credit hours in specific collegiate subject matter courses from an accredited college or university OR an Associate's degree or higher (in any field).	Bachelor's degree or higher (in any field) from an accredited college or university.
Certified General Appraiser	30 semester credit hours in specific collegiate subject matter courses from an accredited college or university OR a Bachelor's degree or higher (in any field).	Bachelor's degree or higher (in any field) from an accredited college or university.

Certified general appraiser applicants must obtain their experience hours in no less than 30 months immediately preceding the initial filing of their application. Certified residential and licensed residential appraiser applicants must obtain their experience hours in no less than 24 months immediately preceding the initial filing of their application. Therefore, certified general appraiser applicants who begin to obtain their experience after June 30, 2012 automatically fall under the new 2015 criteria. Certified residential and licensed residential appraiser applicants who begin to obtain their experience after December 31, 2012 automatically fall under the new 2015 criteria.

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Important Changes for Ohio Real Estate Appraisers continued ...

Supervisory Appraiser Requirements effective January 1, 2015:

- Registered appraiser assistants must complete a course related to the responsibilities & requirements of supervisory appraisers & trainee appraisers. This course must be completed prior to obtaining a registered appraiser assistant credential. This course does not count towards the 75 hours of qualifying education required for registered appraiser assistants.
- Supervisory appraisers must complete a course related to the responsibilities and requirements of supervisory appraisers and trainee appraisers. The supervisory appraiser is to complete this course prior to supervising a registered appraiser assistant.
- Supervisory appraisers must have no disciplinary action within three years that affects their legal eligibility to engage in appraisal practice. Currently, Ohio requires that supervisory appraisers have no disciplinary action within two years prior to the supervisory period.
- Supervisory appraisers must be state-certified for a minimum of three years prior to being eligible to become a supervisory appraiser.

Changes to Qualifying Education and Continuing Education effective January 1, 2015:

- Credit towards qualifying education may be obtained via the completion of a degree program in real estate from an accredited degree-granting college or university provided the college or university has had its curriculum reviewed and approved by the AQB.
- Core curriculum content for several qualifying education courses must contain two additional subtopics within the course modules: seller concessions and energy efficient items.
- Three additional topics have been added to the list of acceptable continuing education offerings: seller concessions, energy efficient items, and developing real property value opinions in appraisals that include personal value and/or business value.

For more details on the January 1, 2015 changes, please visit the Appraisal Foundation's website and read the articles: October 2011 "Exposure Draft of Proposed Revisions to the Future Real Property Appraiser Qualifications Criteria" and the "New! Summary of Changes to the Real Property Appraiser Qualifications Criteria."

As published in the Division's previous newsletter, online education is now accepted for appraiser pre-license coursework & USPAP continuing education.

• **Effective January 1, 2012**, the Division now accepts distance (online) education for qualifying education for all appraiser credentials. Distance education must be approved by the International Distance Education Certification Center (IDECC) and the Course Approval Program (CAP) through the Appraisal Foundation. The courses must be offered by these entities: nationally or state recognized appraisal or real estate organization, an institution of higher education, a career school registered by the state board of career colleges and schools, or a state or federal commission or agency. The Division no longer accepts courses offered by financial institutions. The course(s) must be completed on or after January 1, 2012.

• **Effective January 1, 2012**, the seven-hour continuing education class for the National USPAP update may be completed through distance (online) education provided the course is IDECC and CAP approved. The course must be completed on or after January 1, 2012. When submitting a seven-hour USPAP update course that has not been approved by the state of Ohio, the same rules apply as with any unapproved continuing education course. Instructions for non-approved courses can be found on the continuing education compliance form.

Real Estate Disciplinary Actions

Listed below are the Real Estate Disciplinary Actions for December 2011 to July 2012. Details of each action can be found on the website at: http://www.com.ohio.gov/documents/real_Fall12REdiscipline.pdf

REVOCATIONS/PERMANENT SURRENDER/RESIGNATIONS

Tina Anderson	Salesperson	Fairfield
William Bowman	Salesperson	Marysville
Sarah Clayton Byram	Salesperson	Tipp City
Cassandra Cooper	Broker	Columbus
Uri Gofman	Salesperson	South Euclid
Todd Gongwer	Salesperson	Dublin
Great City Home Improvement	Real Estate Company	Lewis Center
Bonnie Helt-Adams	Salesperson	Columbus
Damian Hileman	Salesperson	Niles
Donald LaVoy	Salesperson	Toledo
Jack B. Otto	Broker	University Park
David Pirichy	Salesperson	Burton
Linas Puskorius	Salesperson	Cleveland
Anthony Viola	Broker	Cleveland Heights
Daniel Weaver	Salesperson	Westlake
Nikki Van Winkle	Salesperson	Cincinnati

SUSPENSIONS, FINES, EDUCATION and REPRIMANDS

Diane Adamson	Salesperson	Stow
Thomas Adamson	Salesperson	Stow
Andrew Balalovski	Salesperson	Blacklick
Connie Browning	Salesperson	Maple Heights
John Burgan	Broker	Boardman
Jill Calfee	Salesperson	Broadview Heights
Adrienne Cooper	Salesperson	Cincinnati
Ricky Deluca	Broker	Wintersville
Lonnie Gray	Salesperson	Cincinnati
Tod Grimm	Salesperson	North Royalton
Lori Hair	Salesperson	Massillon
Craig Harover	Broker	West Union
Mara Harperink	Salesperson	Cincinnati
Willie Jacobs	Salesperson	Dayton
Jerry Jarvis	Salesperson	Akron
Matthew Joost	Salesperson	Defiance
Pamela Miller-Howard	Salesperson	Dayton
Sheree Nemenz	Broker	Youngstown
Jim Norbuta	Salesperson	Chagrin Falls
Joan Norbuta	Salesperson	Chagrin Falls
Kenneth Parrott	Broker	Dayton

SUSPENSIONS, FINES, EDUCATION and REPRIMANDS continued...

Shirley Pikus	Salesperson	Canton
Judith Pokorny	Salesperson	Holland
David Printup	Broker	Blacklick
Wendy Riek	Salesperson	Moreland Hills
Nathaniel Roane	Salesperson	Northfield
Roger Sexton	Broker	Cincinnati
Greg Sommers	Salesperson	Concord
Amy Watt	Salesperson	Troy
S. Marvin Weisberger	Salesperson	Cincinnati
Shjuana Williams	Salesperson	Cincinnati
Debra Wright	Salesperson	Cincinnati
Joan Zarlenga	Salesperson	Canfield

Unlicensed Activity

Abbeyhill Management	Columbus
Aram Gosdanian	Columbus
Cincinnati Real Estate Developers	Cincinnati
Integrity Real Estate & Property Management	Englewood
Laura (Loretta) Gau	Moraine
Timothy Gravely	Lewis Center
Joseph Andrew Nagy	Westerville
Show Homes of Toledo	Toledo

Appraiser Disciplinary Actions

Listed below are the Appraiser Disciplinary Actions for December 2011 to July 2012. Details of each action can be found on the website at:http://www.com.ohio.gov/documents/real_Fall12appraiserdiscipline.pdf

REVOCATIONS/PERMANENT SURRENDERS

Thomas McKee	Licensed Residential Appraiser	Covington
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SUSPENSIONS, FINES, ADDITIONAL EDUCATION AND REPRIMANDS

Todd Cerankowski	Certified Residential Appraiser	Akron
Brian Chase	Certified Residential Appraiser	Norwalk
Jeffrey Fisk	Licensed Residential Appraiser	Medina
Dennis Hughes	Licensed Residential Appraiser	Painesville
Mark McDonald	Certified Residential Appraiser	Cincinnati
Robert McGee	Certified General Appraiser	Broadview Heights
James Myers	Certified Residential Appraiser	Westlake
John Tricomi	Certified General Appraiser	Warren
Nicholas Vilella	Licensed Residential Appraiser	Aurora
Zoe-Marie West	Certified Residential Appraiser	Elmore
Jayne Young	Certified General Appraiser	Newark

Upcoming Events:

Attending the 2012 Ohio Association of Realtors' annual conference on October 3 - 4 at the Easton Hilton in Columbus? The Division will be serving as an exhibitor again this year and will be ready to answer any questions you may have about your license or the industry in general.

Stop by our booth to obtain valuable information about the industry, to look-up your license information on our laptop, and to receive a fun give-away!



Department of Commerce

Division of Real Estate & Professional Licensing

State of Ohio
Department of Commerce
Division of Real Estate and Professional Licensing
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