



**The Ohio
Department
of Commerce**

Winter 2000/2001

Division of

Real Estate and Professional Licensing

◆ N E W S L E T T E R ◆

Bob Taft
GOVERNOR

Gary C. Suhadolnik
DIRECTOR

Lynne Hengle
SUPERINTENDENT

◆ "RealPro" System Lays Foundation for Future

Real Estate Licensure: 2001 and Beyond

RealPro is a real step forward into the future for the Division. The new computer licensure software system will not only streamline paperwork processing today, but it will also keep pace with the ever-changing technology used by the real estate industry tomorrow.

The system, dubbed "RealPro" for Real Estate Professional, was developed by the Iowa Foundation for Medical Care for application in other professions, then successfully adapted to the needs of real estate commissions in Nebraska, Maryland, and Missouri. Now RealPro has been completely customized for Ohio, and the first of three phases was implemented in November. Two more implementation phases are expected to be completed by early 2002; after that, the software system is flexible enough to accommodate any growth or changes the future may bring.

RealPro's first big task is to assist with the new staggered license renewal system. RealPro will introduce barcodes and scanning to the applications, eliminate tedious data entry by hand and greatly expedite application processing.

Phase one also represents an improvement in tracking enforcement cases. RealPro will track every single detail, such as phone calls, faxes, motions, filings, and hearings. Now, at any point during the enforcement process, from the initial assignment all the way through to a final disposition, Division investigators and authorized personnel may pull up any case on the computer to view every action to date.

Additionally during this phase, the Division will now be able to gather and analyze statistical and demographic

RealPro will introduce barcodes and scanning to the applications, eliminate tedious data entry by hand and greatly expedite application processing.

information. The Division will be able to determine, for example, the average penalty for a particular violation, then report the information to the commission. RealPro will provide other statistics too, such as how many brokers there are in a given city, or which county has the highest incidence of disciplinary actions.

The Division's goal for implementing phase two, which will augment current website resources, is summer of 2001. Currently, the website provides 84 interactive forms, direct links to various organizations, publications such as the quarterly newsletter and brochures, testing

information, and access to the Ohio Revised Code and Ohio Administrative Code. Soon though, RealPro will allow licensees not only to fill out forms online, but also submit them online, make an electronic signature on them, and pay for them electronically. Educational institutions will be able to electronically submit continuing education credits directly to the Division.

Perhaps the most useful feature of phase two for licensees is the ability to look up their licensure information online. They will be able to access all licensure information, such as continuing education credits earned, which courses are still needed, renewal dates, or information from a previous application.

Phase three will most likely be in place in early 2002. Currently, all licensee paperwork is microfiched, but RealPro will allow the Division to scan the paperwork into the computer and organize it into electronic folders. Copies of applications, licenses, and other correspondence received by the Division may then be easily accessed on the computer. Information determined to be public will be available for viewing on the website, but Social Security numbers and other confidential information will be redacted.

All these exciting advances will improve efficiency at the Division and make application procedures for licensees much easier and quicker. But remember, this is just the beginning; RealPro is ready to evolve with the real estate industry.

Continuing Education To Become State-of-the-Art

Like other sections of the Division, Continuing Education is tooling up for the future. Soon licensees will be able to choose from the traditional classroom or a form of distance education to earn continuing education credits.

The Division has created a task force to look into distance education possibilities. The group has met three times and explored all facets of distance learning, from the technical nuts and bolts to the more theoretical issues.

The task force will establish the curriculum to be followed, obtain qualified instructors, and establish the method for delivery, whether it be online, on CD-ROM, or video. Then it must consider what equipment the distance learner will need, such as computer software and hardware requirements, as

well as what course and reference materials will be used. The group will determine how questions from students will get answered and how they will interact with the instructor.

Then, too, there must be a way to assure that the actual students are completing the coursework, rather than someone else doing the work for them. Finally, because Ohio law does not allow testing in continuing education, the task force must decide how to measure the progress of distance learners and how to make sure they are, in fact, learning as much as traditional classroom students.

After the task force has completed its research, a four-member blue-ribbon committee will make recommendations to the superintendent. These recommendations will be made by the end of the year.

The Ohio Real Estate Commission will then consider the recommendations and adopt a timetable for implementation. In the near future, licensees will be able to take continuing education courses in the comfort of their own homes, and the instructors will, in effect, go to the students.

Red Books Have Arrived!

They are available for purchase at a cost of \$13/copy. Check our website for the order form or contact the Customer Service Section with questions at (614) 466-4100.

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77 S. High Street
Columbus, Ohio 43266-0547
(614) 466-4100
(216) 787-3100

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State Auctioneers Commission Members

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Use of Outdated Forms Causes Problems

Many licensees have a problem they are not even aware of: outdated forms. Some of the forms still being used date back to the early 1980s. There have been dramatic changes in paperwork requirements since then, with forms being updated accordingly. Further, the old forms have a Division address that hasn't been valid for 12 years. When licensees use this address to mail important forms, it takes a long time for the mail to arrive at the Division's correct address, causing unnecessary delays in processing.

Licensees using old forms also end up taking steps now obsolete. For instance, sales applications no longer require the

inclusion of a photograph or a notarization, yet the Division often receives applications with both.

The Division suggests that licensees eliminate their stock of outdated forms, then use our website resources. The most recent versions of all forms are available there, and the site is continually updated to keep pace with any changes. With the implementation of the interactive website forms, licensees simply fill out the forms online, print them, and send them in, which is preferable to keeping files of blank forms which may or may not be the most recent. These steps will save licensees time and help expedite processing of all forms.

Appointments to Ohio Real Estate Commission

Dale Marks, an owner of Marks & Taylor in Canton, Ohio, has been appointed to a second term as a member of the Ohio Real Estate Commission. Mr. Marks currently has a broker's license and has been active in the real estate industry since 1959. Mr. Marks is a past President of the Ohio Association of Realtors and a past Regional Vice President of the National Association of Realtors. Mr. Marks' term will end on June 30, 2005.

Lois L. Yeager, Vice President of Special Projects for Sibcy-Cline Inc. in Cincinnati, Ohio, was appointed as a member of the

Ohio Real Estate Commission on July 21, 2000. Ms. Yeager currently has a broker's license and has been active in the real estate industry since 1968. Ms. Yeager has served on the Ohio Real Estate Commission in the past and is also a past President of the Commission. She has also served as Chairperson of the Legislative Committee of the Ohio Association of Realtors and as a past National Director of the National Association of Realtors. Ms. Yeager's term will end on June 30, 2005.

Ten Ways to Ensure a Smooth Real Estate Transaction

1. Everything in Writing. Put all agreements, listings, representations and other discussions in writing. For example, if an agent agrees to advertise in certain newspapers or agrees to purchase a home warranty plan, the details should be in writing. Furthermore, document agreement to any verbal understandings, such as the timing of possession. If a dispute later arises, the written documentation will help to clarify any issues.

2. Timely Complete Agency Disclosure Forms. Be mindful of the “triggering events” that necessitate the completion of an agency disclosure form. Keep a supply with you at all times in case they are needed. Remember to note the date, reason, and time if a client or customer refuses to sign the form.

3. Copy Documents. Many parties complain they never received important information or documentation from an agent. Be diligent in making sure the client or customer receives copies of all pertinent documentation. Even when documents are faxed, verify the party’s receipt with a follow up phone call.

4. Know the Limits of Your Expertise. Should you find yourself in a

situation where you don’t know the absolute answer to a question, the best option is to advise the party that you will get back to him/her. This will avoid dispensing of misleading and/or inaccurate information and ensuing misunderstandings.

5. Discuss Home Inspections and Legal Representation. The commission hears many complaints from parties angry about a leaky basement or misunderstandings about contractual terms/agreements. Unfortunately, many parties hold the agent responsible. The agent may avoid future complaints if clients and customers utilize these options.

6. Promptly Return Phone Calls/Emails. Nothing is more frustrating for an eager client and customer than the inability to get any timely response from their agent. Failure to swiftly respond to an inquiry can result in a complaint over untimely offers or unprofessional conduct.

7. Monitor Advertising. Exercise diligence in assuring advertising is accurate and not misleading. Take steps to verify acreage, zoning, amenities and photographs of the listing. Respond

rapidly to correct ads with mistakes. Initial caution and attention to detail in all advertising can prevent misunderstandings and false expectations.

8. Understand Earnest Money. Deposit these funds in accordance with the contract; redeem notes when contractually obligated to; and appropriately release funds when necessary. Remember that a broker cannot release funds without either the consent of both the buyer and seller or pursuant to a court order.

9. Don’t Forget Fair Housing. Remember that all agency agreements must contain fair housing language. Additionally, verify the fair housing language contained in your agency agreements reflects the modifications of H.B. 264, of the 123rd General Assembly, effectively changing the word “handicap” to “disability.”

10. Residential Property Disclosure Form. Agents that turn a blind eye to inaccuracies in a residential property disclosure form are setting themselves up for a complaint. Advising clients to be honest and forthright on the form may prevent complaints against an agent for undisclosed problems with a property.

IT’S A FEDERAL OFFENSE

Did you know that misconduct of real estate licensees may subject them to liability under federal law as well as state laws and commission rules? Licensees should be aware that if either the buyer or the real estate agent has made, or aided in, the falsification of a loan application to a federally insured lender, those involved may be charged with felonies punishable by up to five (5) years in prison and a \$10,000 fine. Falsification includes misstatements of purchase price, amount of the down payment, or credit worthiness of the loan applicant.

(See 18 U.S.C. Section 371.)

Updated Agency Disclosure Forms Available; Fair Housing Change Reflected

Effective September 24 and 28, 2000, both the Agency and Dual Agency Disclosure Statements were updated and redesigned to make them more customer-friendly. The Division found that many people believed the older versions of the forms were binding contracts to hire a real estate agent. This misperception resulted in refusals to sign the forms. The revised versions are simpler, with language clearly indicating that the forms are not contracts.

An important change in the Ohio Fair Housing Law is also reflected in the Dual Agency Disclosure Statement. H.B. 264 of the 123rd General Assembly modified the Ohio Fair Housing Law. Effectively, the word “handicap” was changed to “disability.” The exact wording of Ohio’s

Fair Housing Law is reflected in the new Dual Agency Disclosure Statement and can also be found in Section 4735.55(B) of the Ohio Revised Code. Licensees must review all agency agreements to assure the correct Fair Housing Law wording is being used.

Because the new forms are now part of Ohio law, there have been questions received regarding the old agency forms. Licensees are being advised that they may deplete their supply of old forms prior to using the new and updated forms. However, the Division emphasizes that irrespective of which form is used, it must be completed properly.

The forms are available to download at the Division website at www.com.state.oh.us.

Appraiser Disciplinary Actions

THADDEUS E. DAWSON JR., a state certified general real estate appraiser from Cincinnati, Ohio, was issued a formal written reprimand for violating Ohio Revised Code Section 4763.11 (G) (3) for failing to timely notify the Division of a felony conviction.

JAMES T. VANNI, a state certified general real estate appraiser from Mayfield Hts., Ohio, had his certification suspended for ninety (90) days for violating Ohio Revised Code Chapter 4763.11 (G) (5) and (7) as it incorporates USPAP Standards Rule 1-1. He was also required to complete a fifteen (15) hour course in the Uniform Standards of Professional Appraisal Practice. The suspension commenced on October 2, 2000. In developing a real estate appraisal, Mr. Vanni produced an appraisal report that contained inaccurate comparable sales data that resulted in a misleading appraisal report.

TIM S. SLATER, a state licensed residential real estate appraiser from Minerva, Ohio, has his license suspended for fifteen

(15) days for violating Ohio Revised Code Chapter 4763.11 (G) (7). The suspension commenced September 20, 2000. He was also required to complete a fifteen (15) hour course in USPAP Standards. In developing a real estate appraisal, Mr. Slater failed to furnish adequate information in his report regarding proposed improvements and repairs to the property being appraised.

EDWARD A. DIPINO, a state licensed residential real estate appraiser from Steubenville, Ohio, had his appraiser's license suspended for fifteen (15) days for violating Ohio Revised Code Chapter 4763.11 (G), (5), (6) and (7) as it incorporates USPAP Standards Rule 1-1 and 2-1. He was also required to complete a fifteen (15) hour course in the Uniform Standards of Professional Appraisal Practice. The suspension commenced on July 18, 2000. In developing a real estate appraisal, Mr. DiPino, in his capacity as a supervisory appraiser, failed to exercise reasonable diligence in the preparation and review of

the report developed by an assistant and failed to denote departures taken in developing a limited appraisal report.

ROBERT A. RICKETT, a state certified general and certified residential real estate appraiser from Medina, Ohio, was found to have violated Ohio Revised Code Section 4763.11 (G) (4). He was required to complete a fifteen (15) hour course in the Uniform Standards of Professional Appraisal Practice. With regards to a real estate appraisal he developed, Mr. Rickett was found to have made false and misleading representations in a civil matter related to collecting his fee for the appraisal.

DAVID ROBERTS, a state licensed residential real estate appraiser from Columbus, Ohio, was found to have violated Ohio Revised Code Section 4763.11 (G) (5) as it incorporates USPAP Standards Rule 2-2. The penalty for this violation was a written reprimand. Mr. Roberts prepared an appraisal report that failed to prominently state the reporting option utilized in communicating the appraisal report.

Returning a License?

As discussed in our Fall of 2000 newsletter, changes have been made to the notice required when returning to the Division a real estate salesperson's license to conduct business. In an effort to assist brokers in complying with the new requirements, a sample "return of license" letter has been created. Both this sample letter and the more recent Division newsletters can be found on our website. The sample letter is located under the real estate forms and identified as "Returning License—Sample Letter," while the newsletters are located under our publications and bulletins section. Also, both can be obtained by contacting the Division's Customer Service Section at (614) 466-4100.

Auction Alert

Now available free of charge is an all new updated auction industry publication. Made possible through the combined efforts of the Ohio Division of Real Estate and Professional Licensing and the Ohio Auctioneers Commission, this publication contains the current laws and rules governing the Ohio auction industry. In addition, the publication includes many frequently asked questions, the answers to which should be quite helpful in the day-to-day work of auction practitioners. Copies of the publication are available through the Division's Columbus office.

Frequently Asked Questions

Q: How should the bank label my trust account?

A: According to Ohio Revised Code Section 4735.18(A)(26) and Ohio Administrative Code 1301:5-5-08(B), a trust account must be noninterest-bearing and labeled by the bank as either a "trust account" or a "special account."

Q: Can a real estate licensee also work as a loan officer or title agent?

A: The real estate license laws do not prohibit either multiple licensure or multiple types of employment. While the Division cannot prohibit a licensee from also working in another position, a word of caution can be offered. Always strive to ensure that the rules and regulations of all relevant industries are adhered to and that no special consideration is given to any particular customer/client.

ATTENTION BROKERS!

If you have a branch office not receiving this newsletter, please notify Customer Service at (614) 466-4100

News from the Ohio Real Estate Appraiser Board

Appointments to Ohio Real Estate Appraiser Board

Lawrence A. Kell, a partner with OM Partners LLC dba Colliers International in Cleveland, Ohio, was appointed as a member of the Ohio Real Estate Appraiser Board on July 28, 2000. Mr. Kell has served a previous term on the board. He is a member and a past president of the Counselors of Real Estate. Mr. Kell has been licensed in the appraisal field since 1991. Mr. Kell's term will end on June 30, 2003.

Barbara E. Marihugh, of Independent Appraisal Services Inc. in Defiance, Ohio, was appointed as a member of the Ohio Real Estate Appraiser Board on July 28, 2000. Ms. Marihugh has been licensed in the appraisal field since 1991. She has been an active member of the Cardinal Ohio Chapter of the Appraisal Institute, currently chairing committees regarding candidate guidance and admissions. Ms. Marihugh's term will end on June 30, 2003.

ATTENTION BROKERS!

Are you forwarding copies of this newsletter to your salespeople?

Appraisers Can Safeguard Against Flipping Schemes

Q: Since many flipping schemes rely on appraisals, what kinds of things should appraisers look for to avoid being inadvertently entangled in such schemes?

A: There are a number of actions appraisers can take to safeguard against over-valuations.

Standards Rule 1-5 requires that appraisers analyze any current Agreement of Sale, option, or listing of the property, when such information is available. Many lenders require that Agreements of Sale be provided to the appraiser for their review and analysis. Sometimes the second or third leg of a flip can be discovered when the seller in the sale agreement is not the owner of record. Verification of the terms of sale with brokers may also reveal multiple transactions on the same property.

Experienced appraisers can recognize anomalies in the market and will avoid relying on sales that do not reflect the prevailing market. If an appraiser is asked to value a property in an area that is unfamiliar to them, they should become familiar with the area and the market for the subject property. The Comment to the COMPETENCY RULE states the following:

The concept of competency also extends to appraisers who are re-

quested or required to travel to geographic areas wherein they have no recent appraisal experience. An appraiser preparing an appraisal in an unfamiliar location must spend sufficient time to understand the nuances of the local market and the supply and demand factors relating to the specific property type and the location involved.

Standards Rule 1-4 requires the appraiser to collect, verify and analyze information applicable to the appraisal problem. Knowing the conditions of sale, financing and motivations of the buyer helps the appraiser to adjust sales to the market and avoid the effects of inflated prices.

Standards Rule 1-2(e) requires the appraiser to identify the characteristics of the property that are relevant to the purpose and intended use of the appraisal including its location and physical, legal, and economic attributes. Knowledge of these attributes plays a critical role in the valuation process. Appraisers should exercise care in identifying these attributes noting any adverse condition which could impact the property's value.

Cease and Desist Orders Issued

Acting as a real estate agent without a real estate license violates Section 4735.99 of the Ohio Revised Code and is a first degree misdemeanor. Despite this prohibition, the Division still finds evidence that unlicensed people and companies engage in activities requiring a license. Most often the Division issues Cease and Desist Orders in these cases, but if offenders continue to engage in the unlicensed conduct, the Division may ask the appropriate local prosecutor to consider initiating criminal action.

Since the last newsletter, the following individuals/companies have been issued Cease and Desist Orders:

Michael Reilly
[BidRealEstate.com/J. Daniels & Assoc.](http://BidRealEstate.com/J.Daniels&Assoc.)
5500 Peachtree Pkwy., Ste. 200
Norcross, GA 30092

Mark Cousino
Homebuyers Investment Group
6021 Ricky Dr.
Fairfield, OH 45014

Dan Layton & American Funding Group
C/O Layton Investments
9391 Mentor Ave., Ste. 121
Mentor, OH 44060

Shawn M. Cline
Tara M. King
Marmic Realty
112 N. Portage Path, Apt. 8
Akron, OH 44303

Have We Been in Your Neighborhood?

As the year 2000 draws to a close, so do the stat books for the Division's latest full swing of routine compliance audits on real estate offices. Since October of 1999, an all out effort has been made to have an audit presence throughout the entire state. While there are a couple of counties that we have not yet been able to arrange to visit, the real estate investigators have been in nearly every county in the State of Ohio. We have visited brokerages in small towns and rural areas as well as metropolitan locations.

It is through this contact that we are able to provide assistance to brokerages and distribute updated information.

Investigators have met with more than 500 brokers during this time period, resolving problems on a daily basis. Through the cooperative efforts of our investigators working with our brokerages, offices were able to become compliant with the most current rules and regulations. Additional compliance audit related information can be accessed on the Division's website. Our website contains newsletter articles dealing with compliance audit related issues and a sample trust account ledger. While brokerages are not required to maintain a ledger that mirrors this sample, all of the information contained in the sample must

be maintained by the brokerage in columnar form.

We will approach 2001 with the same enthusiasm and effort displayed during the past year. We will continue to travel the entire state, from Conneaut to West Union and from Montpelier to Gallipolis. If you would like to make sure that we visit your office, please drop us a note and we will schedule you for a routine compliance audit as soon as practicable. For those of you that we have already visited, we thank you for your time and cooperation. It is always a pleasure to meet with our licensees.

More Frequently Asked Questions

Q: Can my broker, or a title company, issue a payment directly to cover my participation in an up-front commission program?

A: The Ohio Revised Code specifically requires a broker to render an accounting to and pay a salesperson his/her earned share of a commission. Further, the broker may not pay a commission to a non-licensed third party. Consequently, neither the broker nor the title company can make this payment on the salesperson's behalf. The salesperson is solely responsible for making any payment to an up-front commission program.

Q: Can the three year transaction record retention requirement in the real estate license law be met with original copies of all documents not being retained?

A: Yes. It has been determined that this requirement can be met with originals being maintained through such means as microfilming and scanning. No matter what type of record retention mechanism is utilized, brokerages are responsible for insuring that clear, legible, true copies of all transaction related documents can be produced upon request. Concerns regarding the legalities of various retention mechanisms should be addressed with private legal counsel.

Q: What information must be included in advertising when the monthly mortgage payment on a property is stated?

A: Real estate license laws do not require any specific information to be included, only that the name of the brokerage be identified in at least equal prominence to that of the salesperson and that all noted information is accurate. As Federal Regulation Z does contain certain advertising requirements, brokerages wishing to advertise monthly payments should first familiarize themselves with this federal law. An initial internet search under "Regulation Z" can be a good place to start.

Q: Is it possible to get advertising approved prior to incurring the expense of full printing?

A: Yes. Licensees can submit a sample of advertising layout prior to printing. The sample must be submitted sufficiently in advance to allow for full review and for any questions to be satisfactorily addressed; i.e.: thirty (30) days prior to any printing deadline. Please be certain advertisements and promotional materials are clear and read exactly as they are to appear when submitting them for review.

ATTENTION LICENSEES!

It is your responsibility to ensure the Division has your current home address at all times. The Division will send your annual renewal form to this address only. When notifying the Division about address changes, please include your file number.

Real Estate Disciplinary Actions

REVOCATION

DANIEL J. CALDWELL, broker, Lakewood, Ohio, had his broker's license revoked for violating two counts of Ohio Revised Code Section 4735.18(A)(6), one as it incorporates Ohio Administrative Code Section 1301:5-1-10. Mr. Caldwell listed property for sale and in the agency agreement he specifically promised his client he would have the property advertised monthly in the Homes Guide; however, he failed to fulfill this promise, made by him in a fiduciary capacity. Additionally, he submitted a check for \$2,705, made payable to the Division for the year 2000 license renewal and payment of the check was refused by the bank on which it was drawn.

SUSPENSIONS, FINES, EDUCATION

DONNA S. DAY, sales associate, Dayton, Ohio, had a \$500 fine levied against her license and was required to complete and submit proof of completion of a three (3) hour course on ethics for violating Section 4735.18(A)(6) of the Ohio Revised Code. Ms. Day entered into a written agency agreement (listing) with a seller, and in connection with this agreement made certain representations to the seller concerning specific efforts that, as the seller's agent, she would undertake to market the property. However, Ms. Day failed to fulfill the promises made in her fiduciary capacity as a real estate agent, in that she did not advertise as promised.

S. ROBERT YOBLINSKI, broker, Saint Clairsville, Ohio, had a \$100 fine levied against his license for violating Section 4735.18(A)(24) of Ohio Revised Code. Mr. Yoblinski listed property for sale. Prior to marketing the property, he was required to provide the owners with an agency disclosure form indicating whom he would be representing, and other agency relationships which might be entered into. Mr. Yoblinski failed to retain a copy of this document for his records.

JOHN D. EVANS, sales associate, Springboro, Ohio, had a \$1,000 fine levied against his license and was required to complete and to submit proof of completion of the ten (10) hour sales post-licensure course for violating Ohio Revised Code Section 4735.18(A)(6). Mr.

Evans advertised and held himself out as an agent with a real estate company for which he was not licensed. Prior to becoming licensed with this company, he prepared listing agreements on behalf of the company, as well as agency disclosure forms indicating that he was an agent for the company.

JULIE S. GREENE, sales associate, Beavercreek, Ohio, had a \$1,000 fine levied against her license and was required to complete and to submit proof of completion of the ten (10) hour sales post-licensure course for violating two counts of Ohio Revised Code Section 4735.18(A)(6), one as it incorporates Ohio Revised Code Section 4735.58. Ms. Greene prepared an offer to purchase on behalf of a brokerage of which she was not associated. She failed to prepare this offer as an agent for, and in the name of, and through the brokerage she was associated with at the time. Ms. Greene also failed to prepare and submit to the purchasers or the sellers an agency disclosure form identifying whom she was representing.

WILLIAM T. FLETCHER, sales associate, Westerville, Ohio, had a fifteen (15) day suspension of his license, which commenced on August 7, 2000; a \$750 fine levied against his license; and was required to complete and to submit proof of completion of the ten (10) hour sales post-licensure course for violating Ohio Revised Code Section 4735.18(A)(6). Mr. Fletcher failed to place in writing all material arrangements and terms relating to the sale of a property.

PATRICIA A. MITCHELL, broker, Newark, Ohio, had a fifteen (15) day suspension of her license, which commenced on August 7, 2000; a \$500 fine levied against her license; and was required to complete and to submit proof of completion of the ten (10) hour brokerage post-licensure course for violating two counts of Ohio Revised Code Section 4735.18(A)(6), one as it incorporates Ohio Revised Code Section 4735.58(A) and another as it incorporates Ohio Revised Code Sections 4735.58(B) and (C). Ms. Mitchell listed property for sale and thereafter proceeded to market and show the property. However, prior to marketing and showing the property, she failed to provide the

seller with an agency disclosure form. In connection with the same property, Ms. Mitchell prepared an offer to purchase; however, she failed to prepare and submit the Ohio agency disclosure form to the purchasers.

PAULA C. McHENRY, sales associate, Marietta, Ohio, had a \$300 fine levied against her license for violating Section 4735.18(A)(6) of Ohio Revised Code. Ms. McHenry entered into a written agency agreement (listing) that did not contain the specific fair housing language required by Section 4735.55 of the Ohio Revised Code.

BARBARA A. PATRICK, sales associate, Centerville, Ohio, had a \$500 fine levied against her license and was required to complete and to submit proof of completion of the ten (10) hour sales post-licensure course for violating Ohio Revised Code Section 4735.18(A)(6) as it incorporates Ohio Administrative Code Section 1301-5-5-11(C). Ms. Patrick failed to have both the lease and the property management agreement for a property specify that the security deposit would not be maintained in the brokerage's property management trust account.

LYNDA L. FITZPATRICK, broker, Pickerington, Ohio, had a \$500 fine levied against her license and was required to complete and to submit proof of completion of the ten (10) hour brokerage post-licensure course for violating Ohio Revised Code Section 4735.18(A)(6) as it incorporates Ohio Revised Code Section 4735.51(I). Ms. Fitzpatrick prepared an offer to purchase property for a buyer, which property was listed for sale by another agent of her brokerage. She noted on the agency disclosure form that she was representing the buyer thereby creating an in-company transaction as defined in Ohio Revised Code Section 4735.51(I). However, Ms. Fitzpatrick neglected to have the in-company transaction portion of the agency disclosure form completed.

MINA B. HUSTON, sales associate, Tiffin, Ohio, had a \$500 fine levied against her license for violating Section 4735.18(A)(6) of Ohio Revised Code. Ms. Huston prepared an offer on the behalf of purchasers; however, she failed to maintain a copy of the Ohio agency disclosure

statement identifying for the purchasers, who she would be representing.

ARCHIE ARCHER, sales associate, New Albany, Ohio, was found to have violated Ohio Revised Code Section 4735.18(A)(6) as it incorporates Ohio Revised Code Section 4735.58(B); however, no penalty was imposed for the violation. Mr. Archer, a real estate salesperson, prior to showing a property for sale, failed to furnish the purchasers with an Ohio agency disclosure form indicating whom he was representing.

JOSEPH R. HARRIS, sales associate, Wooster, Ohio, had a \$500 fine levied against his license, and was required to complete and to submit proof of completion of a three (3) hour ethics course in addition to the ten (10) hour sales post-licensure course for violating Ohio Revised Code Sections 4735.18(A)(6) and (A)(10). Mr. Harris demanded a commission from the sellers of a property. This demand was without reasonable cause, and for a commission to which he was not entitled.

DUTTON AUCTION & REALTY CO., corporation, Navarre, Ohio, had a \$400 fine levied against the corporate license for violating Section 4735.18(A)(6) of the

Ohio Revised Code. The corporation entered into written exclusive agency agreement to sell a property by way of auction; however, the agreement did not contain the specific fair housing language required by Section 4735.55 of the Ohio Revised Code.

REAL PROPERTY MGT., INC., corporation, Dublin, Ohio, had \$1,000 in fines levied against the corporate license for violating Sections 4735.18(A)(5) and (A)(6) of the Ohio Revised Code. The corporation failed to provide a final accounting or remit funds it held, which belonged to a client, within a reasonable time after management of the client's property had ended.

HOWARD HANNA CO., corporation, Poland, Ohio, had a \$1,000 fine levied against the corporate license for violating Ohio Revised Code Sections 4735.18(A)(6) and (A)(24). The corporation failed to maintain agency disclosure forms, which were to be completed in connection with real estate transactions for two separate properties.

EUGENE T. ROURKE, broker, Cuyahoga Falls, Ohio, had a \$500 fine levied against his license and was required to complete and to submit proof of completion of the

ten (10) hour brokerage post-licensure course, for violating Ohio Revised Code Sections 4735.18(A)(24) and (A)(6) as it incorporates Ohio Revised Code Section 4735.58(A). Mr. Rourke failed to maintain copies of all documents in connection with the sale of a property. In addition, he failed to provide the seller with an agency disclosure form prior to marketing the property.

ATTENTION BROKERS!

*Are you
forwarding
copies of this
newsletter
to your
salespeople?*



**The Ohio
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