



Effective October 1
**Compensation Rule
Changes Approved**

Beginning October 1, real estate brokers are required to disclose to their clients any incentive, bonus, rebate, or other compensation (of more than nominal value) which is offered to them by some other person or party.

You must make the disclosure in sufficient time to aid your client's decision-making (ideally before you show a buyer-client a property for which an incentive is being offered).

If you choose to initially disclose the incentive orally (rather than in writing), you must then confirm it in writing be-
(See Compensation, page 4)

Commission Reelects Skip Alston, Marsha Jordan to Second Terms

Melvin L. "Skip" Alston of Greensboro has been reelected Chairman of the North Carolina Real Estate Commission and Marsha H. Jordan of Lincolnton, reelected Vice Chair, for the 2008-2009 term beginning August 1, it was announced by Phillip T. Fisher, Executive Director.

Alston has been a member of the Commission since 2003.

He is serving his fifth four-year term as a member of the Guilford County Board of Commissioners and was elected its first African American chairman.

For the past 26 years, Alston has served as president and owner of the Alston Realty Group, Inc., a real estate firm in Greensboro specializing in property management and real estate sales.

He is also involved with other business ventures in the Greensboro community, including East Market Street

**Alston****Jordan**

Square, Inc., a commercial development company, and Alston and Alston, LLC, a residential renovation and consulting firm.

Alston is immediate past president
(See Second Terms, page 4)

How to Contact the Commission

Mmeet the Commission and Executive Director to the right and meet the staff on pages 10 and 11 of a special, four-page, pullout section in this issue.

The "Guide to Contacting the Commission" section has been designed to help you quickly reach the appropriate Division and staff members for your purpose.

You will find information about the responsibilities of each of the Commission's four Divisions, phone and fax numbers, email addresses, forms to order by fax, tips on productive use of the Commission website, and a map to the Commission office.

Save the "Guide" for future reference.

A two-page version, to be updated as needed, will be available for quick, easy reference at any time on the Commission website, www.ncrec.state.nc.us. Look under Publications for "Guide to Contacting the Commission".

Special Information Section Inside



Meet the Commission and Executive Director

Real Estate Commission members and Executive Director are (front row, l. to r.) M. Rick Watts, Fayetteville; Vice Chair Marsha H. Jordan, Lincolnton; Chairman Melvin L. "Skip" Alston, Greensboro; Wanda J. Proffitt, Burnsville; (standing, l. to r.) Jerry A. Mannen, Jr., Wilmington; Joe L. Hodge, Jr., Raleigh; Benjamin Cone, III, Charlotte; S. R. "Buddy" Rudd, Jr., Oak Island; Jeffrey J. Malarney, Manteo; and Executive Director Phillip T. Fisher.



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

Appearances

Thomas R. Miller, Director of Legal Services and Special Deputy Attorney General, spoke at a Legal Seminar sponsored by the Wilmington Regional Association of REALTORS® and a Broker-in-Charge Seminar sponsored by the Durham Regional Association of REALTORS®, both on the Commission's rules governing brokerage compensation.

Miriam J. Baer, Assistant Director, Legal Services, spoke to the Winston-Salem Regional Association of REALTORS® on short sales and participated

in the North Carolina Association of REALTORS® "Webinar" discussing the recent amendment to Commission rules addressing broker compensation and compensation incentives.

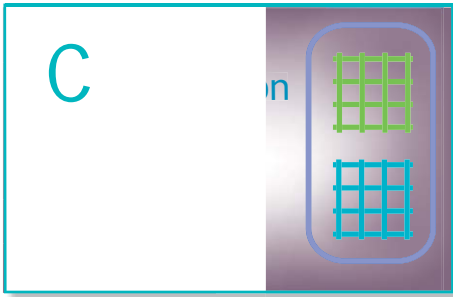
Janet B. Thoren, Chief Deputy Legal Counsel and Special Assistant United States Attorney, spoke to the Central Carolina Chapter of Certified Fraud Examiners on mortgage fraud.

Peter C. Evans, Information Officer, spoke to the Sanford Area Association of REALTORS®.

Alston, Jordan Reappointed

Melvin L. "Skip" Alston of Greensboro and Marsha H. Jordan of Lincolnton have been reappointed to the Commission for new three-year terms.

Alston, current Commission Chairman and a member since 2003, was reappointed by House Speaker Joe Hackney. Jordan, current Vice Chair and a member since 1999, was reappointed by Senate President Pro-Tem Marc Basnight.



November 13

December 10

January 14

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

Allan R. Dameron Legal Internships

Jessica M. Pearce of New York and Scott G. Allen of Morrisville received the Allan R. Dameron Legal Internship awards for 2008 from the Real Estate Commission. Both are second year law students at the University of North Carolina. The awards are given annually in memory of and tribute to former Commission Chairman Dameron for his dedicated service in protecting the interests of North Carolina real estate consumers.



Commission members and Allan R. Dameron Legal Interns are, left to right, Jeffrey J. Malarney, M. Rick Watts, Vice Chair Marsha H. Jordan, Pearce, Chairman Melvin L. "Skip" Alston, Allen, S. R. "Buddy" Rudd, Jr., and Benjamin Cone, III.

COURSE SCHEDULES

This schedule provides locations, dates, and times for the courses indicated through December, 2008. Register online at the Commission's website, www.ncrec.state.nc.us.

Broker-in-Charge Course (Two-days. Day one, 1-5 p.m.; Day two, 8:30-5:30 p.m.)

Asheville	December 2, 3	Holiday Inn East/Blue Ridge Parkway
Banner Elk	October 22, 23	Best Western Mountain Lodge
Charlotte	October 8, 9 November 5, 6 December 8, 9	Holiday Inn Airport
Greensboro	November 18, 19	Clarion Hotel (formerly the Radisson)
Raleigh	October 13, 14 November 24, 25 December 15, 16	McKimmon Conference Center
Wilmington	October 27, 28	Coastline Inn & Convention Center

Basic Trust Account Procedures

Charlotte	December 9, 2008, 9 a.m. - 1 p.m.	Holiday Inn Airport
Raleigh	November 4, 1-5 p.m.	McKimmon Conference Center
Wilmington	October 28, 2008, 9 a.m. - 1 p.m.	Coastline Inn & Convention Center

Confirm dates and times at the Commission website.

Second Terms

(Continued from page one)

of the North Carolina State Conference of NAACP Branches which consist of 120 Adult Branches and 60 Youth and College Chapters across the state. He has also served on the NAACP National Board of Directors since 2001 and been a member of its National Board of Trustees since 1988.

Alston is co-founder and chairman of the board of directors for the Sit-In Movement, Inc., a nonprofit corporation formed for the purpose of purchasing and renovating into an international Civil Rights Center and Museum the historic Woolworth Building in downtown Greensboro where the 1960 sit-ins took place.

He is a former member of the North Carolina Martin Luther King, Jr. Holiday Commission, served two terms as president of the North Carolina Association of Black County Officials, and been a member of a host of other boards and commissions throughout the state and country.

Alston resides in Greensboro with his wife, Gwendolyn, who is a licensed

real estate broker and Vice President of The Alston Realty Group, Inc. He has two sons, DeSean Jahleel Alston, 25, who is also a real estate broker currently residing in Los Angeles, and Ryan DeMarkus Alston, 16, who attends Dudley High School in Greensboro. Alston attends St. James Baptist Church in Greensboro.

Marsha H. Jordan

A graduate of the University of Virginia (MWC), Jordan entered the real estate business in 1986. She is owner of Apple Realty in Lincolnton, a Graduate of the REALTORS® Institute and a Certified Residential Specialist.

Appointed to the Commission in 1999, Jordan is president of the North Carolina Real Estate Education Foundation and past president and 2001 REALTOR® of the Year of the Lincoln County Board of REALTORS®. Active in community affairs, she is a former director of the Lincolnton Chamber of Commerce, past president for Downtown Development, and currently president of the Lincolnton Rotary Club.

She and her husband, Max, a REALTOR® and contractor, reside in Lincolnton and have one son, Jason, a student at the University of North Carolina at Charlotte and a REALTOR®.

The North Carolina Real Estate Commission is responsible for the licensing and regulation of 11,000 real estate firms and 100,000 real estate agents in the state.

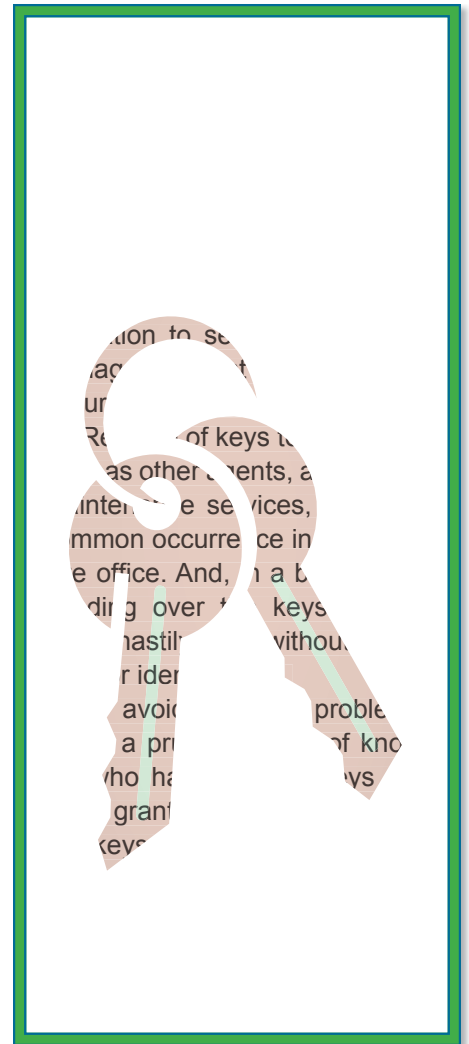
Incentive

(Continued from page one)

fore your client makes or accepts an offer to buy or sell.

The disclosure must simply state the amount (or describe the value) of the incentive and who is offering it to you.

NOTE: The requirement applies to all sales transactions (both residential and non-residential) but not to lease or other transactions. You're not required to tell anyone other than your client the compensation you expect to receive in a transaction, nor are you required to tell your client the amount of compen-



sation you expect to receive from your employing broker (company).

You can find on the Commission's website Rule A.0109 (Brokerage Fees and Compensation) containing the recent amendments. You will also receive a detailed explanation of the changes in your 2008-2009 continuing education Update Course.

Moroccans Visit Commission

Commission Executive Director Fisher and attorneys Tom Miller, Miriam Baer and Janet Thoren met with visitors from Morocco to answer their questions concerning real estate financing and financial market conditions in the United States.

The July 25 visit from Mr. Said El Moustafid, Chief of Projects for the National Telecommunication Regulation Agency, and Dr. Mostafa Ezzyyani, Professor/Researcher at the School of Science and Techniques, was arranged by the International Affairs Council under the auspices of the U.S. State Department's International Visitor Leadership Program.

Numbers

The statistics here generally reflect the activities of the Real Estate Commission during the period from May 1, 2007 to April 30, 2008.

Contact

- 260,500 telephone calls
- 1.1 million+ website "hits"

Publications

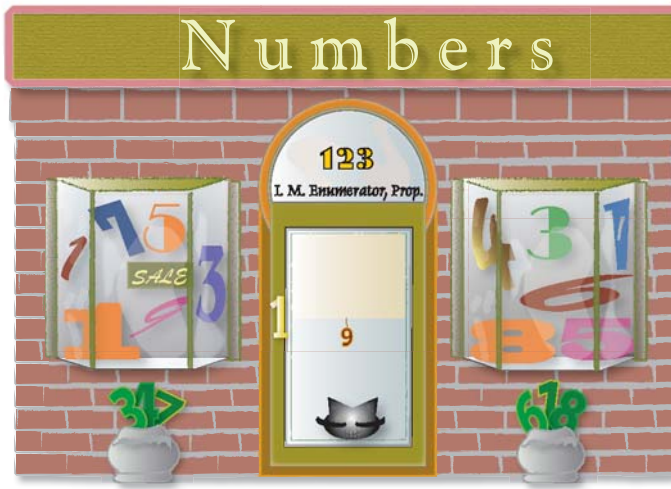
- 1,100,000+ publications distributed to brokers, consumers, applicants

Technology

- 8,400+ student rosters electronically processed for CE courses and 749 for postlicensing courses

Licensing

- 562,000 license records changed (a 40% increase)
- 11,000+ applications processed for licenses by examination
- 10,000+ license examinations administered
- 6,200+ licenses by examination issued
- 610 licenses issued by reciprocity
- 1,388 firm licenses issued
- 359 expired, surrendered and suspended licenses reinstated
- 3,800 Certificates of License History issued
- 383 license applications reviewed by Commission for character issues



- 171 license applicant conferences conducted

Education

- 15 new private real estate school licenses issued and 65 renewed
- 43 real estate instructors approved (a 19% increase) and 40 renewed
- 65 new continuing education elective courses approved (for a total of 406 courses)
- 21 new continuing education sponsors approved (for a total of 219)

- 19 new continuing education Update Course instructors approved (for a total of 187)
- 42 Broker-in-Charge Course sessions conducted for 2,415 licenses

Audits/Investigations

- 142 field investigations completed
- 98 trust accounts examined
- 443 persons interviewed
- 16 trust account sessions conducted for 316 students
- 2,415 students instructed for trust account portion of BIC course

Legal

- 1,361 case (complaint) files opened and 1,386 closed
- 26 licenses reprimanded
- 60 licenses suspended
- 38 licenses revoked
- 14 licenses surrendered
- 99 cases with conditional remedies



Scholarship winners (front row, l. to r.) George (Jody) Rich, Stephanie Rhodes and Warren Moore, stand with Commission Chairman Melvin L. "Skip" Alston and Vice Chair Marsha H. Jordan and members (l. to r.) Jerry A. Mannen, Jr., Joe L. Hodge, Jr., Benjamin Cone, III, S. R. "Buddy" Rudd, Jr., Wanda J. Proffitt, M. Rick Watts, and Jeffrey J. Malarney.

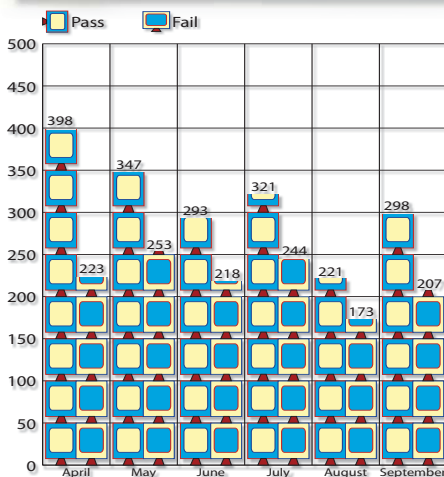
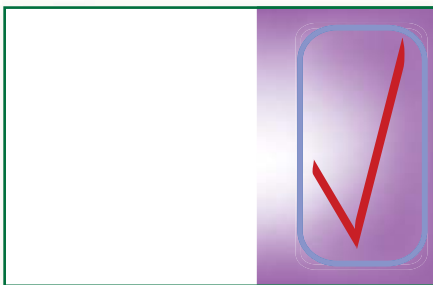
Commission Awards Scholarships

The Real Estate Commission has awarded scholarships to Stephanie Rhodes of Cornelius, Warren Moore of Washington, and George (Jody) Rich of Concord for their outstanding academic achievements in REALTORS® Institute courses.

The recipients were selected by the North Carolina Real Estate Educational Foundation.

Rhodes received the Blanton Little Memorial Scholarship and Moore, the Joe Schweidler Memorial Scholarship. Both Little and Schweidler were former Executive Directors of the Commission.

Rich received the Phillip T. Fisher Scholarship. Fisher is currently Executive Director.



AUDITOR'S CORNER








Smell a Crime? Drop a Dime.

By Emmet R. Wood, Director, Audits and Investigations

You may not be the qualifying broker or broker-in-charge of a real estate office or a member of its management team.

But, as a broker associated with the firm, it is still your responsibility to report to the Real Estate Commission any violations of the Real Estate License Law or Commission rules which you observe and to be alert to certain “red flags” which may suggest a problem with the firm’s trust account.

-  Are landlords calling to complain that they have not received their rents, or their rental checks are always late, or (even worse) that they “bounced”?
-  Are tenants complaining that their security deposits are not being refunded? Or have you seen trust account bank statements lying around the office unopened for days?
-  Have you noticed that the person responsible for the office’s trust account doesn’t take vacations or much time off (or the opposite)?
-  Have you noticed that the person does not return telephone calls?
-  Do you observe in that person an extravagant lifestyle?

While there may be logical explanations to some client and customer complaints, if there is a pattern of complaints accompanied by some of the other “red flags” described, it may signal a problem which requires the Commission’s attention.

If so, you are encouraged to consult the Commission’s Legal Services Division or Audits and Investigations Division where a team of highly trained attorneys, auditors, consumer protection and information specialists are available to answer your questions and determine whether further inquiry is needed.

Trust account shortages ultimately injure real estate consumers. It may be your client whose earnest money deposit, security deposit or rents are not being safeguarded.



Guide to Contacting the Commission

Save time when you contact us by first identifying in this Guide the division/section of the Commission with which you wish to communicate. Your call, fax or email will reach those staff members who can most readily assist you.

When your call is answered by the automated phone attendant, dial the ACCESS CODE in parentheses.

Administration

- Financial management
- Licensee information services, records and renewals
- Information technology
- Publications

ACCESS CODES

Administration (9) - Administration, personnel, accounting

Information Services (2) - continuing and postlicensing education requirements and status, record changes, license renewals

Receptionist (0) - Application forms Other matters

EMAIL

Executive - exec@ncrec.state.nc.us

Administration - admin@ncrec.state.nc.us

Information Services - informationservices@ncrec.state.nc.us

FAX

Administration - 919-877-4217

Executive - 919-877-4215

Information Services - 919-877-4221

Publications - 919-877-4227

Audits and Investigations

- Investigate complaints against real estate brokers
- Examine brokerage firm trust accounts and time share projects
- Teach trust account courses

ACCESS CODES

Audits and Investigations (8) - Complaints, investigations, audits

EMAIL

Audits and Investigations - ai@ncrec.state.nc.us

FAX

Audits and Investigations - 919-877-4218

Education and Licensing

- Applications for licensure
- Prelicensing and postlicensing education
- License examination program
- Approval of continuing education schools and sponsors

ACCESS CODES

Application Section (5) - Real estate license qualifications and examinations

Licensing Section (6) - Firm licensing and licensing by reinstatement or reciprocity

EMAIL

Education and Licensing - educ@ncrec.state.nc.us

FAX

Education - 919-877-4216

Character - 919-877-4228

Licensing - 919-877-4229

Legal Services

- Conduct inquiries and coordinate investigations of complaints
- Prosecute charges against licensees at Commission hearings
- Coordinate rule making process
- Provide legal counsel to the Commission
- Provide information to licensees and consumers
- Register time share projects and regulate time share sales

ACCESS CODES

Legal Services (3)

Consumer complaints/inquiries, pending cases/hearings.

EMAIL

Legal Services - legal@ncrec.state.nc.us

FAX

Legal Services - 919-877-4220



Meet the North Carolina Real Estate Commission Staff

Administration

- Financial management • Licensee information services, records and renewals
- Information technology • Publications



Mary Frances Whitley
Director
29 years



Paula L. Ricard
Financial Officer
17 years



Vickie R. Crouse
Network Administrator
29 years



Wendy C. Harper
Administrative Officer
19 years



Robert L. Forshaw
Publications Officer
7 years



Brenda H. Badger
Information Services
Officer
19 years



Susan M. Tysor
Executive Assistant
11 years



Diana L. Carnes
Technology Specialist
6 years



Peggy Y. Chow
Accounting Technician
9 years



Juanita G. Bridges
Information Specialist
1 year



Tiffany Bryant
Information Specialist
1 year



April M. Conyers
Information Specialist
2 years



Daniel K. Creech
Information Specialist
2 years



Amber M. Evans
Information Specialist
2 years



Christin M. Hunter
Information Specialist
6 months



Patricia L. Street
Information Specialist
6 years



Bradford A. Cox
Information Specialist
3 months



Faye E. Ray
Receptionist
12 years

Education and Licensing

- Applications for licensure • Prelicensing and postlicensing education
- License examination program • Continuing education



Larry A. Outlaw
Director
29 years



Anita R. Burt
Education/Examination
Officer
19 years



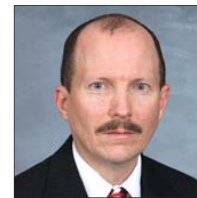
Pamela R. Rorie
Continuing Education
Officer
12 years



Patricia A. Moylan
Legal Education Officer
9 years



Lisa R. McQuillen
Education/Licensing
Officer
1 year



Matthew A. Wentz
License Application
Analyst
1 year



Wanda E. Johnson
Chief License Specialist
16 years



Vivian A. Sellers
License Specialist
11 years



Latoya S. Simms
License Specialist
5 years



Amber D. Reed
License Specialist
2 years



Samantha Morgan
Administrative
Specialist
1 year

Serving 104,000 licensed individuals and firms with 610 years of service

Audits and Investigations

- Investigate complaints against real estate brokers
- Examine brokerage firm trust accounts and time share projects
- Teach trust account courses



Emmet R. Wood
Director
26 years



Michael B. Gray
Chief Auditor/
Investigator
12 years



Gary R. Caddell
Senior Auditor/
Investigator
17 years



Jennifer K. Boger
Senior Auditor/
Investigator
16 years



Rebecca S. Wilkins
Senior Auditor/
Investigator
12 years



William F. Dowd
Senior Auditor/
Investigator
9 years



Robin F. Tanner
Senior Auditor/
Investigator
13 years



Bart H. Allen
Auditor/Investigator
6 years



M. Spier Holloman
Auditor/Investigator
6 years



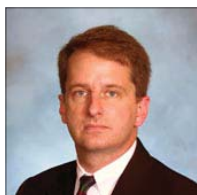
Pamela V. Millward
Auditor/Investigator
9 years



Susanne H. Viens
Administrative
Specialist
13 years

Legal Services

- Conduct inquiries and coordinate investigations of complaints
- Prosecute charges against licensees at Commission hearings
- Coordinate rulemaking process
- Provide legal counsel to the Commission
- Provide information to licensees and consumers
- Register time share projects and regulate time share sales



Thomas R. Miller
Spec. Dep. Atty. Gen.
Director,
Legal Counsel



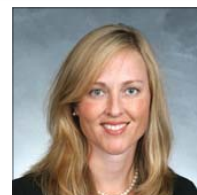
Miriam J. Baer
Assistant Director,
Legal Counsel
21 years



Janet B. Thoren
Chief Deputy Legal
Counsel
11 years



Charlene D. Moody
Deputy Legal Counsel
2 years



Sandra L. Good
Associate Legal Counsel
2 years



Stephen L. Fussell
Consumer Protection
Officer
18 years



Joan H. Floyd
Consumer Protection
Officer
10 years



Carolyn A. Haase
Consumer Protection
Officer
7 years



Peter C. Evans, III
Information Officer
9 years



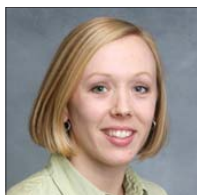
Elizabeth W. Penney
Information Officer
2 years



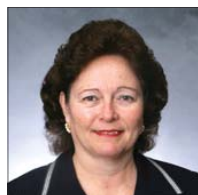
Jean A. Wolinski-Hobbs
Information Officer
2 years



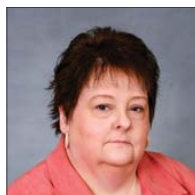
Frances N. Johnson
Senior Administrative
Specialist
22 years



Karissa B. Sluss
Paralegal
1 year



Sammye G. Isenhour
Legal Assistant
18 years



Susan R. Tippet
Legal Assistant
8 years



Melissa A. Clark
Legal Assistant
6 months

Forms, Information Available 24/7

Forms and other information such as course schedules and school lists are available through the Interactive Voice Response and Fax On Demand services at (919) 850-2757 and on the Commission's website, www.ncrec.state.nc.us.

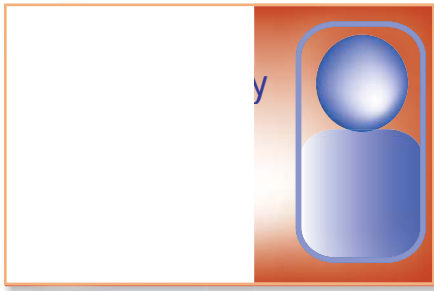
Three forms are available only on the website: Certificate of Notice and Deposit of Disputed Funds, Nonresident Commercial License Application, and Declaration of Affiliation of Limited Commercial License.

Online, you may purchase and print a replacement pocket card, declare yourself as broker-in-charge, and register for the Basic Trust Account Course and the Broker-in-Charge Course.

Form Fax Number	Form Category/Name
1093	Index of Available Forms from Fax on Demand
Licensee Forms	
1049	Replace License or Pocket Card
1054	Broker-in-Charge Declaration (Form 2.04)
1055	Activate License (Form 2.08)
1055	Notification of Broker Affiliation (Form 2.08)
1055	Notification of Provisional Broker Supervision (Form 2.08)
1056	Report Criminal Conviction
1058	Supplement to Broker Affiliation Request
1066	Request to Certify Active <u>Nonresident</u> License
1094	Name Change
License Application Forms	
1051	Firm License Application Package
Education	
1061	Trust Account Course Schedule and Registration Form
1062	Broker-in-Charge Course Schedule
1064	Continuing Education Course Schedule
1065	Pre-licensing and Post-licensing Schools List
1072	Request Continuing Education Credit
Time Share Registration Application Package	
1073	Time Share Registration and Renewal Fee Schedule
1074	Application for Registration of Time Share Project
1075	Application for Renewal of Time Share Project
1076	Affidavit of Time Share Registrar
1077	Applicant Guide for Time Share Project Registration
1078	Affidavit of Time Share Project Broker
1079	Affidavit of Independent Escrow Agent
1080	Consent to Service
School Forms	
1052	Candidate Roster Order Form
1053	Roster of New Licensees Order Form
Publications	
1059	Free Publications Order Form
1060	Purchase Publications Order Form
1063	Real Estate Manual Order Form
Program Presenter	
1070	Request for Program Presenter
Consumer Forms	
1067	Complaint Form
1068	Property Disclosure Form
Miscellaneous	
1071	Commission Meeting Schedule
1089	Commission Members List



- 1 Change your residence and email address, phone and fax numbers.
- 2 Check on your completed continuing education credits.
- 3 Renew your license online.
- 4 Order replacement pocket cards.
- 5 Plan class attendance with the frequently updated continuing education and postlicensing schedules and with the Broker-in-Charge course schedule.
- 6 Register for the Broker-in-Charge and Trust Account courses.
- 7 Download broker-in-charge eligibility certificate.
- 8 As a broker-in-charge, print a list of all affiliated licensees, see their renewal date and postlicensing and CE credits; complete the BIC Declaration form.
- 9 Search for commercial brokers.
- 10 Purchase rosters of new licensees and/or applicants.
- 11 Read and print out the text of 22 publications.
- 12 Download any of 20 forms.
- 13 Research past issues of the Bulletin.



Penalties for violations of the Real Estate Law and Commission rules vary depending upon the particular facts and circumstances present in each case. Due to space limitations in the Bulletin, a complete description of such facts cannot be reported in the following Disciplinary Action summaries.

THOMAS A. ADAM (Wilmington) – By Consent, the Commission suspended the broker license of Mr. Adam for a period of 90 days effective May 1, 2008. Thirty days of the suspension were active with the remainder stayed for a probationary period of one year. The Commission found that Mr. Adam, as broker-in-charge of a real estate brokerage firm, certified to the Commission that the declaration of experience of a broker associated with the firm was correct and true when, in fact, it was not. The Commission further found that Mr. Adam failed to make an adequate inquiry into the broker's experience.

SCOTT H. ASHCRAFT (Wilmington) – By Consent, the Commission suspended the broker license of Mr. Ashcraft for a period of one year effective September 1, 2008. The Commission then stayed the suspension for a probationary period of one year on certain conditions. The Commission found that Mr. Ashcraft, licensed in 2004, failed to activate his license in 2005 upon association with a real estate brokerage firm and worked on inactive status until February 2007. The Commission also found that Mr. Ashcraft, while on inactive status in 2006, failed to disclose to his buyer client that he was acting as a dual agent in a transaction, failed to give agency disclosure to his buyer client at first substantial contact, failed to obtain written agency disclosure, failed to obtain a signed buyer agency agreement, and failed to obtain a signed property disclosure from the buyer. The Commission noted that the transaction failed to close.

MICHAEL WINSLOW ATKINSON (Hatteras) – By Consent, the Commission suspended the broker license of Mr. Atkinson for a period of two years. Forty-five days of the suspension were active from September 1, 2008 to October 16, 2008 and the remainder stayed for a probationary period of two years under certain conditions. The Commission found that Mr. Atkinson was convicted in 1990 of transporting an open container of alcohol but did not disclose the conviction on his 1998 license application. The Commission also found that Mr.

Atkinson was convicted in February 2007 of transporting an open container of alcohol and unsafe movement and in March 2007 of *Possession of Drug Paraphernalia*, both in Dare County. The Commission further found that Mr. Atkinson was convicted in federal district court in November 2007 of Driving Under the Influence and Disorderly



Conduct. The Commission noted that Mr. Atkinson timely reported this conviction to the Commission.

BALLANTYNE MARKET CENTER T/A KELLER WILLIAMS (Charlotte) – By Consent, the Commission reprimanded Ballantyne Market Center effective September 1, 2008. The Commission found that (following discovery of embezzlement by an unlicensed office administrator) Ballantyne Market Center failed to adequately reconcile its trust accounts, failed to identify disbursements correctly on journals, and had an overage of approximately \$52,000 in its trust account. The Commission noted that Ballantyne Market Center deposited funds to cover the embezzled money and transferred the account to a new bank.

SELINA C. BROOKS (Hubert) – By Consent, the Commission suspended the broker license of Ms. Brooks for a period of 12 months effective February 1, 2008. One month was active with the remainder stayed for a probationary period of 12 months on

certain conditions. The Commission found that Ms. Brooks, as broker-in-charge of a real estate brokerage firm office, failed to reconcile the firm's trust account records with bank statements and transferred client monies from trust accounts without authority. The Commission also found that Ms. Brooks' trust account records revealed a shortfall in the trust account of more than \$25,000. The Commission noted that Ms. Brooks replaced the missing money.

BRUCE HARRIS REAL ESTATE, LLC (Burlington) – By Consent, the Commission suspended the firm license of Bruce Harris Real Estate for a period of two years effective June 20, 2008. The Commission then stayed the suspension for a probationary period of one year on certain conditions. The Commission found that Bruce Harris Real Estate's trust account books and records failed to conform to the minimum standards of the Commission's rules, and that the liabilities exceeded funds on deposit. The Commission also found that Bruce Harris Real Estate failed to fully document deposits and disbursements and maintain a running balance in the trust account journal. The Commission noted that Bruce Harris Real Estate has brought the account and records into compliance.

GEORGE I. CANADA (Greensboro) – By Consent, the Commission revoked the broker license of Mr. Canada effective July 24, 2008. The Commission found that Mr. Canada failed to respond to a buyer's attempts to contact him about the refund of a \$1,000 earnest money deposit following termination of a contract to purchase, failed to respond to letters of inquiry from the Commission and failed to produce trust account records requested by the Commission. The Commission also found that Mr. Canada admitted to converting the earnest money to cover operating expenses, but did eventually repay the earnest money deposit.

DEVERSE CHAM, JR. (Rocky Mount) – By Consent, the Commission reprimanded the broker license of Mr. Cham effective (See **Disciplinary Action**, page 12)

Disciplinary Action

(Continued from page 13)

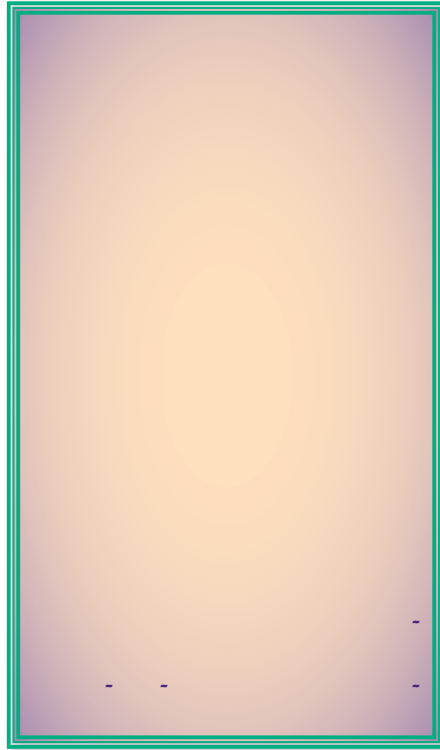
April 1, 2008. The Commission found that Mr. Cham failed to ensure that the conduct of a provisional broker he supervised in a transaction was fair and honest. The Commission found that the provisional broker, acting as both buyer agent and loan officer in a transaction, created a false verification of rent in order to assist the buyer client in qualifying for a loan and negotiated a higher interest rate for the buyer client in order to receive higher income when the loan closed, thereby not acting in the best interest of the buyer client.

JEFFREY D. CHURCH (Mooresville) – By Consent, the Commission suspended the broker license of Mr. Church for a period of one year effective June 19, 2008. Thirty days of the suspension were active with the remainder stayed for a probationary period of 11 months. The Commission found that Mr. Church plead guilty to and was convicted on or about August 6, 2007 of the misdemeanor offense of *Possession of Drug Paraphernalia*. The Commission noted that Mr. Church reported the conviction to the Commission on October 5, 2007.

ROBERT A. COOPER (Raleigh) – By Consent, the Commission suspended the broker license of Mr. Cooper for 12 months effective June 15, 2008. The Commission found that Mr. Cooper and other respondents were accused by the State of North Carolina of making agreements with competing bidders in foreclosure and judicial sales of real estate in order to depress the prices realized in those sales for his clients' or confederates' benefit. The Commission also found that the court found a factual basis for the State's allegations, and in that one case Mr. Cooper consented to pay in excess of \$17,000 in compensatory damages and restitution and costs to the State of North Carolina. Mr. Cooper neither admitted nor denied the Commission's findings and conclusions.

SAMUEL CRAIG (Raleigh) – By Consent, the Commission reprimanded Mr. Craig effective July 1, 2008. The Commission found that Mr. Craig, in order to remove the provisional status from his broker license, certified to the Commission on its website on March 28, 2007 that he possessed four years' full-time real estate brokerage experience within the past six years, when, in fact, his broker license was on inactive status until he activated it on April 29, 2005.

RODNEY S. DAW (Raleigh) – By Consent, the Commission revoked the broker license of Mr. Daw effective July 21, 2008. The Commission found that Mr. Daw and other respondents were accused by the State of North Carolina of entering into agreements with bidders in foreclosures and judicial sales of real estate, which had the effect of suppressing the prices obtained in those sales; that in each case the court found a factual basis for the State's allegations; that



in each case one or more of the respondents consented to the imposition of an injunction preventing future conduct in violation of the law; and that Mr. Daw entered into an agreement with the Attorney General's office to pay in excess of \$229,999 in compensatory damages and restitution to the State.

JAMES V. DEBLOSSIO (Port Wentworth, Georgia) – By Consent, the Commission permanently revoked the broker license of Mr. DeBlossio effective July 1, 2008. The Commission found that between 2002 and 2003, Mr. DeBlossio participated in a mortgage fraud scheme in the Charlotte area, was found guilty in June 2007 in U. S. District Court of one count of mortgage fraud conspiracy and one count of bank fraud, and in May 2008 was sentenced to five years of probation with one year to be under home confinement.

DAVID BARRY DEFRAVIO (Waxhaw) – By Consent, the Commission suspended the broker license of Mr. DeFravio for a period of one year effective July 1, 2008. One

month of the suspension was active with the remainder stayed for a probationary period of 11 months. The Commission found that Mr. DeFravio was convicted of *Second Degree Trespass* and *Resisting Arrest* on July 18, 2007, which he timely reported. The Commission also found that Mr. DeFravio failed to report a 1998 conviction for *Assault on a Female* as required by Commission rules.

DIRECT MANAGEMENT & REALTY, INC. (Charlotte) – By Consent, the Commission revoked the firm license of Direct Management & Realty effective May 15, 2008. The Commission found that Direct Management & Realty, as property manager for several properties, failed repeatedly to provide rent proceeds, management statements and invoices or receipts for repairs purportedly conducted and also had at least one check written from its trust account returned for insufficient funds.

STEPHEN E. DUBOSE (Waynesville) – By Consent, the Commission reprimanded Mr. DuBose effective July 1, 2008. The Commission found that Mr. DuBose acted as a broker in the sale of three residential lots, and failed to discover prior to closing that the subdivision containing the properties had not been approved by local government and two of the properties were too small under the applicable zoning regulations. The Commission noted that Mr. DuBose, after closing, assisted the parties involved in conveyances among the owners to correct the zoning violation and the subdivision was subsequently approved.

FREDERICK B. ELZIE, III (Charlotte) – By Consent, the Commission suspended the broker license of Mr. Elzie for a period of 12 months effective January 1, 2008. Six months of the suspension were active with the remainder stayed for a probationary period of 12 months on certain conditions. The Commission found that Mr. Elzie, acting as rental agent for residential rental property belonging to landlord clients and as its broker-in-charge from May 2005 to January 2006, failed to deposit and maintain rents and monies collected for clients in a trust account, failed to always designate trust account records as "trust" or "escrow", did not reconcile trust account records with bank statements, and the trust account records did not provide a clear audit trail.

JOHN E. FORREST (Vanceboro) – By Consent, the Commission suspended the broker license of Mr. Forrest for a period of one year effective July 1, 2008. Two months

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of the suspension were active with the remainder stayed for a probationary period of one year. The Commission found that Mr. Forrest was convicted of four criminal offenses prior to licensure but did not report them on his 1993 and 1996 license applications. The Commission also found that Mr. Forrest was convicted in November 2007 of Open Burning When Prohibited in Craven County, which he timely reported to the Commission.

FREEDOM REALTY OF FAYETTEVILLE, INC. (Fayetteville) – By Consent, the Commission revoked the firm license of Freedom Realty effective August 14, 2008. The Commission found that Freedom Realty, acting as a rental manager for a property, failed to account to the owner for a deposit paid by the tenant and for rent collected on the tenant's behalf. The Commission also found that Freedom Realty failed to produce transaction and trust account documents for inspection.

JAMES TERRY GARRETT, JR. (Charlotte) – By Consent, the Commission suspended the broker license of Mr. Garrett for a period of five years effective September 1, 2008. Three years of the suspension are active with the remainder stayed for a probationary period of two years. The Commission found that Mr. Garrett timely disclosed his conviction on June 15, 2007, relating to his participation in the sale of securities for which he was placed on five years probation, to be terminated no sooner than payment of restitution and two years probation. The Commission noted that Mr. Garrett has paid the restitution.

GOLD PROPERTY MANAGEMENT, INC. (New Bern) – By Consent, the Commission revoked the firm license of Gold Property Management effective July 25, 2008. The Commission found that Gold Property Management's liabilities for monies belonging to clients and tenants exceeded the funds on deposit in the firm's trust accounts by more than \$160,000. The Commission also found that Gold Property Management failed to maintain a complete journal of trust account transactions, maintained no running balance of funds on hand in the trust accounts and no accurate ledgers. The Commission further found that Gold Property Management was unable to identify the liability to clients and tenants, failed to reconcile the trust account records with bank statements, issued checks drawn on the trust accounts which were returned unpaid be-

cause of insufficient funds, and used tenant security deposit money to fund shortfalls.

CESAR G. GORDOLA (Winston-Salem) – By Consent, the Commission revoked the broker license of Mr. Gordola effective July 15, 2008. The Commission found that Mr. Gordola failed to deposit and maintain certain client monies in a trust account and failed to keep accurate ledgers and journals

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When continuing education sponsors fail to report credits to the Commission in a timely manner, licensees may find themselves on Inactive Status on July 1.

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Similarly, if you completed your CE online, verify that your sponsor submitted your affidavit to the Commission in time for your CE record to be updated.

of the monies deposited into or paid from his trust accounts. The Commission also found that Mr. Gordola commingled the funds of others in his possession with his own money, failed to make his trust account records available to the Commission for inspection, failed in certain transactions to keep complete and accurate copies of agency disclosures, agency contracts and other transactional documents, and failed in certain transactions to provide buyers and sellers with accurate closing statements.

CARLA ALBENDIA GRIFFIN (Huntersville) – The Commission accepted the permanent voluntary surrender of the broker license of Ms. Griffin effective June 1, 2008. The Commission dismissed without prejudice allegations that Ms. Griffin had violated provisions of the Real Estate License Law and Commission rules. Ms. Griffin neither admitted nor denied misconduct.

ELIZABETH A. GRILLO (Charlotte) – By Consent, the Commission suspended the broker license of Ms. Grillo for a period of 15 months effective July 1, 2008. The

Commission then stayed the suspension for a probationary period of 15 months on certain conditions. The Commission found that Ms. Grillo listed a .18-acre lot, misrepresenting on the MLS system R10 zoning for single family residential use based upon the county tax records. The misrepresentation was discovered after closing, when the buyer attempted to build a residence on the lot, and the buyer spent \$15,000 to have the property rezoned.

SHARON A. HARGETT (Raleigh) – By Consent, the Commission reprimanded Ms. Hargett effective July 1, 2008. The Commission found that Ms. Hargett, in order to remove the provisional status from her broker license, certified to the Commission on its website on May 22, 2006 that she possessed four years' full-time real estate brokerage experience within the past six years, when, in fact, she had held a full-time job not related to real estate since 1987, had devoted an average of only 10 to 15 hours a week to real estate, and was unable to supply adequate evidence and documentation that she had sufficient experience to remove the provisional status from her broker license.

ANTHONY T. HARRELSON (Richmond, Virginia) – By Consent, the Commission permanently revoked the broker license of Mr. Harrelson effective July 21, 2008. The Commission found that Mr. Harrelson, on or about August 14, 2007, was convicted of *Bank Fraud, Money Laundering and Aggravated Identity Theft* in the United States District Court for the Eastern District of Virginia and is currently serving a term of imprisonment for these convictions.

BRUCE HARRIS, JR. (Burlington) – By Consent, the Commission suspended the broker license of Mr. Harris for a period of two years effective June 20, 2008. The Commission then stayed the suspension for a probationary period of one year on certain conditions. The Commission found that Mr. Harris's trust account books and records failed to conform to the minimum standards of the Commission's rules, and that the liabilities exceeded funds on deposit. The Commission also found that Mr. Harris failed to fully document deposits and disbursements and maintain a running balance in the trust account journal. The Commission noted that Mr. Harris brought the account and records into compliance.

BRUCE HARRIS, SR. (Burlington) – By Consent, the Commission suspended the broker license of Mr. Harris for a period of

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two years effective June 20, 2008. The Commission then stayed the suspension for a probationary period of one year on certain conditions. The Commission found that Mr. Harris's trust account books and records failed to conform to the minimum standards of the Commission's rules, and that the liabilities exceeded funds on deposit. The Commission also found that Mr. Harris failed to fully document deposits and disbursements and maintain a running balance in the trust account journal. The Commission noted that Mr. Harris brought the account and records into compliance.

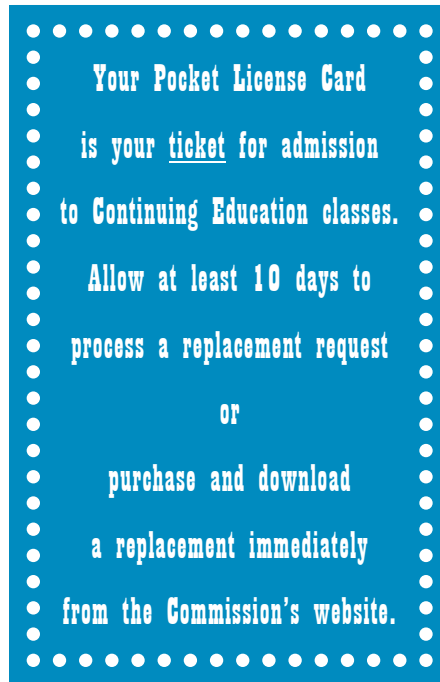
CECIL B. HEAVNER (Smithfield) – By Consent, the Commission reprimanded Mr. Heavner effective June 10, 2008. The Commission found that in 2002, Mr. Heavner purchased property from a seller client of his firm, and agreed to share with the seller the profit from a subsequent resale within a stipulated period of time. The Commission further found that Mr. Heavner sold the property for a profit; however, a dispute arose concerning the disposition of the profits and Mr. Heavner did not make a timely accounting of the resale to his former client. The Commission noted that Mr. Heavner filed a court action to determine the appropriate disposition of the proceeds, and disbursed the funds to the seller's bankruptcy estate in accordance with the court's judgment.

RICHARD P. HESTER, JR. (Durham) – By Consent, the Commission suspended the broker license of Mr. Hester for a period of 30 days effective June 18, 2008. The Commission found that Mr. Hester, a certified residential real estate appraiser, affixed his signature and seal to an interim property inspection report requested by a lender for a construction loan draw to finance the purchase of a mobile home; he did not tell the lender he was unable to perform the inspection due to recent surgery and instead submitted required photographs taken by an employee of the mobile home manufacturer that were subsequently found not to be of the subject property. The Commission also found that the manufactured home dealer failed to complete the property owner's home as required to receive the draw.

RONALD F. HILES (Sanford) – The Commission suspended the broker license of Mr. Hiles for a period of five years effective October 15, 2006. The Commission found that Mr. Hiles failed to properly account for money belonging to others in four separate transactions, failed to deposit the funds of

others in a trust or escrow account, failed to make records available for Commission inspection, and commingled rent and repair money with his own.

OSCAR L. HINES, JR. (Goldsboro) – By Consent, the Commission suspended the broker license of Mr. Hines for a period of one year effective July 1, 2008. The Commission then stayed the suspension for a period of one year on certain conditions. The Commission found that Mr. Hines failed to renew his general contractor's license and subsequently was disciplined by the Licensing



Board for General Contractors for performing as a general contractor after the license's expiration and failed to report this disciplinary action to the Commission.

JASON J. HOLT (Asheville) – The Commission revoked the broker license of Mr. Holt effective June 5, 2008. The Commission found that Mr. Holt, on or about January 3, 2007, plead guilty to and was convicted of the misdemeanor offense of *Assault on a Female* and was sentenced to 150 days in prison, suspended for a probationary period of 12 months; and that on or about October 2, 2007, Mr. Holt plead guilty to and was convicted of the federal offense of *Possession of Firearm by Felon* and was sentenced to 25 months in prison and is currently serving that term in Florida. The Commission further found that Mr. Holt was previously disciplined in 1998 by the Commission for failing to disclose in his license application three prior convictions. The Commission noted that Mr. Holt reported the convictions in 2007 as required by Commission rule.

ALICE F. HOPE (Gastonia) – By Consent, the Commission reprimanded Ms. Hope effective August 1, 2008. The Commission found that Ms. Hope elected to remove the provisional status of her license certifying on May 1, 2006 that she possessed four years full-time experience as a real estate broker; while she had performed property management as a corporate employee during that time, her license has been on inactive status since April 1999 and, therefore, the work she performed did not qualify as the basis for removal of her provisional status.

IRENE E. HUGHES (Fayetteville) – The Commission accepted the permanent voluntary surrender of the broker license of Ms. Hughes effective June 1, 2008. The Commission dismissed without prejudice allegations that Ms. Hughes violated provisions of the Real Estate License Law and Commission rules. Ms. Hughes neither admitted nor denied misconduct.

IRONWOOD REALTY, INC. (Greenville) – By Consent, the Commission reprimanded Ironwood Realty effective June 19, 2008. The Commission found that Ironwood Realty acted as brokers for a community of patio homes within a larger subdivision where the roads in the rest of the subdivision were public, and failed to disclose to purchasers of the patio homes that the roads in their community were private.

JACKSONVILLE REALTY, INC. (Jacksonville) – By Consent, the Commission suspended the firm license of Jacksonville Realty for a period of three years effective April 1, 2008. The Commission then stayed the suspension for a probationary period through March 31, 2013 under certain conditions. The Commission found that Jacksonville Realty failed to adequately safeguard the funds of its clients held in trust and failed to supervise an unlicensed employee who was given access to the firm's trust accounts and who, in 2003, converted approximately \$150,000 in trust monies to her own use. The Commission also found that Jacksonville Realty appointed the employee as broker-in-charge of the property management office after she became licensed, and she converted approximately \$500,000 to her own use between 2004 and 2007. The Commission noted that Jacksonville Realty fully funded the trust accounts and brought its books and records into compliance.

WENDY STEWART JAMISON (Charlotte) – By Consent, the Commission suspended the broker license of Ms. Jamison for

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a period of six months effective June 1, 2008. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Ms. Jamison on or about October 10, 2007, plead guilty to and was convicted of *Driving While Intoxicated*. The Commission noted that prior to licensure as a real estate broker Ms. Jamison was convicted of certain criminal offenses which were disclosed at the time of her license application.

DAVID P. JENNINGS (Wilmington) – By Consent, the Commission suspended the broker license of Mr. Jennings for a period of one year effective July 1, 2008. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Mr. Jennings was convicted in 2007 for misdemeanor drug possession and maintaining a vehicle for controlled substance and had failed to disclose on his 1994 salesperson's license application and his 2004 broker's license application a 1990 conviction for misdemeanor *Larceny* and a 1991 misdemeanor conviction for *Resisting and Obstructing a Public Officer*.

DUANE A. JORDAN (Yadkinville) – The Commission revoked the broker license of Mr. Jordan effective September 4, 2008. The Commission found that Mr. Jordan misrepresented to an investor that the principal amount of his investment was guaranteed and pursued that course of misrepresentation through documents and electronic communication. The Commission also found that Mr. Jordan failed within a reasonable time to account to the investor for the monies held on his behalf; failed to maintain and deposit into a trust or escrow account the monies received by him as a real estate agent from the investor; and failed to produce at the request of the Commission records relating to the monies held on behalf of the investor. The Commission further found that Mr. Jordan failed to respond to letters of inquiry from the Commission.

DELMIS JACK KEEN, JR. (Raleigh) – By Consent, the Commission suspended the broker license of Mr. Keen for a period of 42 months effective September 1, 2008. The Commission found that Mr. Keen, in Wake County District Court, pleaded guilty to and was convicted of the criminal offense of larceny; Mr. Keen purchased building material for personal use with funds belonging to a hotel organization which he had obtained from an employee there.

ALFRED S. KESLER (Murphy) – By Consent, the Commission reprimanded Mr. Kesler effective March 1, 2008. The Commission found that Mr. Kesler, acting as the agent for the sellers of a house and lot, prepared a real estate purchase contract on which he described the closing date to be “23 April and/or when buyer's house is closed.” The Commission also found that the property did not close by April 23, the sellers sold the property to another purchaser and the original buyer disputed the meaning of the closing language Mr. Kesler prepared.

THEODORE A. KIMMEL (Asheville) – By Consent, the Commission suspended the broker license of Mr. Kimmel for a period of two years effective July 1, 2008. One year of the suspension is active with the remainder stayed for a probationary period of one year. The Commission found that Mr. Kimmel answered “no” to a question concerning criminal convictions on his 2005 license application, when, in fact, he had prior convictions in 1998, 2001 and 2002. The Commission further found that Mr. Kimmel was convicted on or about March 9, 2007 of multiple misdemeanors and, on or about May 15, 2007, was convicted of two criminal offenses, and did not report the convictions to the Commission as required.

JAMES M. KING (Charlotte) – The Commission accepted the permanent voluntary surrender of the broker license of Mr. King effective June 19, 2008. The Commission dismissed without prejudice allegations that Mr. King had violated provision of the Real Estate Law and Commission rules. Mr. King neither admitted nor denied misconduct.

RAYMOND LAWRENCE (Cedar Point) – By Consent, the Commission suspended the broker license of Mr. Lawrence for a period of two years effective July 1, 2008. The Commission then stayed the suspension for a probationary period of two years. The Commission found that Mr. Lawrence, originally licensed on December 6, 1991, was convicted on November 29, 1993, of *Misdemeanor Assault on a Female*, *Misdemeanor Communicating Threats*, and *Felony Solicitation to Commit Murder*, was sentenced to five years in prison and served 18 months for the felony, and was sentenced to two years in prison suspended to five years unsupervised probation for the misdemeanors.

WESLEY A. MARTIN (Johnson City, Tennessee) – By Consent, the Commission suspended the broker license of Mr. Martin for a period of six months effective July 1,

2008, after which it will be restored to him on provisional status on certain conditions. The Commission found that Mr. Martin certified to the Commission that he had four years of full-time, active experience as a real estate broker or salesperson when, in fact, his license was on active status for only eight months following licensing in 2000. The Commission also found that Mr. Martin, also licensed in California in May, 2004, could have had only two years and five months of qualifying experience at the time of his certification to the Commission.

DON W. MCNALLY (Fayetteville) – By Consent, the Commission suspended the broker license of Mr. McNally for a period of two years effective July 1, 2008. Six months of the suspension are active with the remainder stayed for a probationary period. The Commission found that Mr. McNally wrote a contract for his buyer-client, knowing his buyer-client wanted repairs made to the property, and failed to prepare a repair request agreement. The Commission also found that Mr. McNally knew his buyer-client wanted to take possession of the property prior to closing and failed to prepare a buyer possession before closing agreement, and permitted his buyer-client to take possession of the property prior to the closing. The Commission further found that Mr. McNally failed to respond in writing to three Letters of Inquiry from the Commission.

NORMAN MEHLMAN (Charlotte) – By Consent, the Commission revoked the broker license of Mr. Mehlman effective July 1, 2008, providing further that he may not seek license reinstatement for two years. The Commission found that Mr. Mehlman, acting as property manager for several owner-clients, failed repeatedly to provide rent proceeds, management statements and invoices or receipts for repairs purportedly conducted, and had at least one check which was written from his trust account returned for insufficient funds.

STANLEY G. MONTGOMERY (Greensboro) – By Consent, the Commission revoked the broker license of Mr. Montgomery effective March 11, 2008. The Commission found that Mr. Montgomery was convicted on or about December 9, 2004 of the federal criminal offense of conspiracy to commit loan fraud and was sentenced to three years of supervised probation.

WILLIE E. MOORE (Fayetteville) – By Consent, the Commission suspended the broker license of Mr. Moore for one year ef-

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fective July 1, 2008. The Commission then stayed the suspension for a probationary period of one year on certain conditions. The Commission found that Mr. Moore, as broker-in-charge of a sole proprietorship, kept no journal, ledgers, or check stubs and performed no monthly reconciliations of his trust account. The Commission also found that Mr. Moore kept no operating account and used the trust account for general checking purposes. However, Mr. Moore had a limited number of transactions and no shortages were found.

JAMES LESLIE MOORING (Greenville) – By Consent, the Commission revoked the broker license of Mr. Mooring effective July 21, 2008. The Commission found that Mr. Mooring failed to disclose on his 2004 license application that he had been convicted in 1994 in the U.S. District Court of Arkansas, of one count of *Felony Manufacture Of Marijuana* and one count of *Felony Possession With Intent To Distribute*, for which he was sentenced to 120 months in prison with eight years supervised release. The Commission also found that he served approximately eight years and four months in prison before his release.

STACIE L. MORRIS (Cary) – By Consent, the Commission reprimanded Ms. Morris effective July 1, 2008. The Commission found that Ms. Morris, in order to remove the provisional status from her broker license, certified to the Commission on its website on April 25, 2006 that she possessed four years' full-time real estate brokerage experience within the past six years, when, in fact, her broker license remained on inactive status from the date her license was issued, September 30, 2000, until September 25, 2006, which includes the time she certified four years' full-time real estate experience.

KENNETH L. MURPHY, JR. (Durham) – By Consent, the Commission reprimanded Mr. Murphy effective July 1, 2008. The Commission found that Mr. Murphy, in order to remove the provisional status of his broker license, certified on the Commission's website on January 2, 2007 that he possessed four years of full-time real estate brokerage experience within the previous six years, when, in fact, he had only participated in 17 real estate transactions in the years 2003 to 2006, devoted an average of 15 to 25 hours per week to real estate activities, worked part time in another job unrelated to real estate, and was unable to supply adequate evidence and documentation that he had sufficient

experience to remove the provisional status from his broker license.

NEW MILLENIUM REALTY, INC. (Charlotte) – By Consent, the Commission permanently revoked the firm license of New Millenium Realty effective April 16, 2008. The Commission found that New Millenium Realty, between 2002 and 2004, represented buyers who purchased new construction homes from a builder and that New Millenium Realty received numerous commission bonuses paid directly to the firm by the builder, which were not disclosed to the buyers, closing attorneys or lenders in the transactions.

ON-THE-STREET REALTY, INC. (Charlotte) – The Commission accepted the permanent voluntary surrender of the firm license of On-the-Street Realty effective June 19, 2008. The Commission dismissed without prejudice allegations that On-the-Street Realty violated provisions of the Real Estate Law and Commission rules. On-the-Street Realty neither admitted nor denied misconduct.

OLA M. OWOKONIRAN (Raleigh) – By Consent, the Commission suspended the broker license of Mr. Owokoniran for a period of six months effective July 1, 2008. The Commission then stayed the suspension for a probationary period of six months on certain conditions. The Commission found that Ms. Owokoniran, acting as buyer's agent for a home built in 1905 and being sold "as is", received a Lead Paint Addendum, and Property Disclosure Statement marked "no representation" for all questions, both signed by the sellers, but failed to obtain a copy of these documents signed by the purchaser. The Commission also found that, after the sale closed, the purchaser discovered that the house had lead paint and would not be suitable for renting or eligible for Section 8 tenants as had been intended.

PAULA A. PARKER (Salisbury) – By Consent, the Commission suspended the broker license of Mr. Parker for a period of one year effective June 18, 2008. Three months of the suspension were active with the remainder stayed for a probationary period of one year under certain conditions. The Commission found that Mr. Parker signed a closing statement that was not accurate in connection with the sale of three properties he owned.

CASSANDRA A. PHIPPS (Charlotte) – By Consent, the Commission reprimanded Ms. Phipps effective August 1, 2008. The Commission found that Ms. Phipps, acting as broker-in-charge of a real estate brokerage

firm, engaged an unlicensed individual as an independent contractor to perform leasing services requiring a broker's license, including soliciting clients for the firm and showing rental properties listed by the firm.

PHIPPS ENTERPRISE, INC. (Charlotte) – By Consent, the Commission reprimanded Phipps Enterprise effective August 1, 2008. The Commission found that Phipps Enterprise, a licensed real estate brokerage firm, engaged an unlicensed individual as an independent contractor to perform leasing services requiring a broker's license, including soliciting clients for the firm and showing rental properties listed by the firm.

JAMES C. POAG III (Charlotte) – The Commission accepted the voluntary surrender of the broker license of Mr. Poag for a period of two years effective June 1, 2008. The Commission dismissed without prejudice allegations that Mr. Poag violated provisions of the Real Estate License Law and Commission rules. Mr. Poag did not admit or deny misconduct.

TRINA DENISE RAMOSBARBOSA (Fayetteville) – By Consent, the Commission reprimanded Ms. Ramosbarbosa effective October 1, 2008. The Commission found that while Ms. Ramosbarbosa was the broker-in-charge of a real estate brokerage firm, the firm's trust accounts showed evidence of deficit spending, charges for insufficient funds, and conversion of trust funds reportedly by an unlicensed bookkeeper.

GREGORY D. RANKIN (Charlotte) – By Consent, the Commission permanently revoked the broker license of Mr. Rankin effective October 1, 2008. The Commission found that Mr. Rankin was indicted on and pled guilty to charges relating to his conduct in a mortgage fraud scheme.

CYNTHIA E. RANSONE (Charlotte) – By Consent, the Commission suspended the broker license of Ms. Ransone for a period of three years effective June 19, 2008. The Commission then stayed the suspension for a probationary period of three years under certain conditions. The Commission found that Ms. Ransone failed to report on her 1999 license application convictions in 1984 and 1991. The Commission also found that Ms. Ransone was convicted of *Driving While Impaired* on or about June 27, 2007 and timely reported this conviction to the Commission.

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PATRICIA HUNTER RICH (New Bern) – By Consent, the Commission suspended the broker license of Ms. Rich for a period of 30 days effective August 1, 2008. The Commission then stayed the suspension for a probationary period of one year on certain conditions. The Commission found that Ms. Rich sold a property abutting a portion of a highway that was to be widened from two lanes to four and, although she received a portion of a survey from the listing agent showing the 200' right-of-way for the road, did not provide it to the buyer and did not assure that the buyer understood that the property he purchased did not go all the way to the existing road and shoulder.

SABRA BRIGGS ROMEO (Charlotte) – By Consent, the Commission reprimanded Ms. Romeo effective September 1, 2008. The Commission found that (following discovery of embezzlement by an unlicensed office administrator) Ms. Romeo, acting as broker-in-charge of a real estate brokerage firm, failed to adequately reconcile the firm's trust accounts, failed to identify disbursements correctly on journals, and had an overage of approximately \$52,000 in its trust account. The Commission noted that the owners of Ms. Romeo's firm immediately deposited funds to cover the embezzled money and transferred the account to a new bank.

DEBORAH R. SANDERS (New Bern) – By Consent, the Commission revoked the broker license of Ms. Sanders effective July 25, 2008. The Commission found that Ms. Sanders was the broker-in-charge of a real estate firm and that her liabilities for monies belonging to clients and tenants exceeded the funds on deposit in her firm's trust accounts by more than \$160,000. The Commission also found that Ms. Sanders failed to maintain a complete journal of trust account transactions, maintained no running balance of funds on hand in the trust accounts and no accurate ledgers. The Commission further found that Ms. Sanders was unable to identify the liability to clients and tenants, failed to reconcile the trust account records with bank statements, issued checks drawn on the trust accounts which were returned unpaid because of insufficient funds, and used tenant security deposit money to fund shortfalls. The Commission further found that Ms. Sanders failed to deposit cash rent payments into trust accounts or otherwise account for them, failed to maintain a clear audit trail, and failed to safeguard or promptly account for monies belonging to their clients and tenants.

DAVID M. SCHATZ (Raleigh) – By Consent, the Commission reprimanded Mr. Schatz effective July 1, 2008. The Commission found that Mr. Schatz attempted to broker the sale of commercial parcels in 1999 and 2002, but failed to enter into a listing agreement with the sellers. The Commission also found that Mr. Schatz later sued for commissions based on "Commission Agreements" when the sellers eventually sold the properties independently.

VIRGINIA P. SCHLAGENTWEITH (Jacksonville) – By Consent, the Commission revoked the broker license of Ms. Schlagentweith effective September 1, 2008. The Commission found that Ms. Schlagentweith, acting as broker-in-charge of a sole proprietorship engaged in property management, held security deposits in her trust account and converted \$12,000 of those trust account funds to her personal use.

RICHARD L. SHOCKLEY (Weddington) – By Consent, the Commission reprimanded Mr. Shockley effective July 1, 2008. The Commission found that Mr. Shockley, in order to remove the provisional status from his broker license, certified to the Commission on its website on May 24, 2006 that he possessed four years of full-time real estate brokerage experience within the past six years, when, in fact, his broker license was active for a period of three years and two months and had been inactive since January 2004.

MOTT E. SIMPSON (Monroe) – By Consent, the Commission reprimanded Mr. Simpson effective July 1, 2008. The Commission found that Mr. Simpson, a certified appraiser, employed a trainee who performed appraisals on several properties and, although the appraisals did not meet the standards required by the North Carolina Appraisal Board, Mr. Simpson signed off on the appraisals and submitted them to lenders. The Commission also found that Mr. Simpson entered into a consent order with the Appraisal Board in which Mr. Simpson agreed that his appraisal license would be suspended for one year, with four months to be active, and the remainder stayed under certain conditions. The Commission noted that Mr. Simpson completed the requirements.

MEREDITH SLOAN (Charlotte) - By Consent, the Commission suspended the broker license of Ms. Sloan for a period of two years effective July 1, 2008. Four months of the suspension are active with the remainder stayed for a probationary period. The Commission found that Ms. Sloan solicited owners of homes in pre-foreclosure for

a program whereby her husband would purchase the property for an amount negotiated with the lender; Ms. Sloan would solicit and receive offers as the listing agent, her husband would then purchase the property for a lower negotiated amount and then sell the property on the same day to a third party for a higher amount. The Commission further found that Ms. Sloan failed to disclose these higher offers to her purported seller-clients and at least in one instance, the home was foreclosed on despite 24 offers having been made on the property.

BRIAN T. SMITH (Waxhaw) - By Consent, the Commission revoked the broker license of Mr. Smith effective May 15, 2008. The Commission found that Mr. Smith served as property manager for several properties for an owner-client and failed repeatedly to provide rent proceeds, management statements and invoices or receipts for repairs purportedly conducted and also had at least one check written from a trust account returned for insufficient funds.

DALLAS MABREY SMITH (Morehead City) – By Consent, the Commission suspended the broker license of Mr. Smith for a period of three years effective July 21, 2008. Six months of the suspension are active with the remainder stayed for a probationary period of 30 months on certain conditions. The Commission found that Mr. Smith, on or about October 11, 2007, was found guilty of knowingly writing bad checks over \$200 to certain New Jersey casinos. The Commission noted that the conviction was not related to a real estate closing.

DEBORAH E. SMITH-JONES (Greensboro) – By Consent, the Commission suspended the broker license of Ms. Smith-Jones for a period of one year effective March 1, 2008. Three months of the suspension were active with the remainder stayed for a probationary period of nine months on certain conditions. The Commission found that Ms. Smith-Jones, who conducted property management services through a sole proprietorship, failed to perform monthly reconciliations of her trust accounts, failed to maintain a trust account journal, failed to properly identify tenants, remitters, dates and accurate balances in the property ledger, engaged in deficit spending, had no clear audit trail, failed to perform monthly trial balances, and, in May 2007, had a shortage in her trust account of over \$700 and an overage in her security deposit account of \$100.

(See Disciplinary Action, page 20)

Disciplinary Action

(Continued from page 19)

JULIE ANNE STAMPER (Fayetteville)

– By Consent, the Commission revoked the broker license of Ms. Stamper effective August 14, 2008. The Commission found that Ms. Stamper, acting as a rental manager for a property, failed to account to the owner for a deposit paid by the tenant and for rent collected on the tenant's behalf. The Commission also found that Ms. Stamper failed to show up for three appointments with the Commission investigator and failed to produce transaction and trust account documents for inspection.

SCOTT A. STARNES (Charlotte) – By

Consent, the Commission permanently revoked the broker license of Mr. Starnes effective June 2, 2008. The Commission found that Mr. Starnes, in providing property management services, paid owner proceeds late, failed to timely deliver management statements, and in several cases failed to enter into written property management agreements. The Commission also found that Mr. Starnes had checks drawn on his trust account returned for insufficient funds and had numerous electronic transfers from the rental trust account to the operating account, and numerous negative ledger balances.

RONNIE KNINO STOKES (Greens-

boro) – By Consent, the Commission reprimanded Mr. Stokes effective September 1, 2008. The Commission found that Mr. Stokes, in May, 2007, voluntarily and permanently surrendered his three insurance licenses due to financial mismanagement of his accounts.

BRIAN F. STRUM (Candler) – By Con-

sent, the Commission suspended the broker license of Mr. Strum for a period of one year effective February 21, 2008. The Commission then stayed the suspension for a probationary period of 18 months under certain conditions. The Commission found that Mr. Strum was convicted on three separate occasions of *Driving While Impaired*, most recently in February 2005 and October 2006, with the latter conviction constituting a violation of his probation in the 2005 case. The Commission noted that Mr. Strum is fully compliant with a treatment program.

MARCELO TELLEZ (Apex) – By Con-

sent, the Commission suspended the broker license of Mr. Tellez for a period of six months effective May 1, 2008. The Commission found that Mr. Tellez purchased a property from a seller without paying off the existing mortgage or notifying the lender,

in violation of the due on sale clause in the mortgage, thus leaving the sellers with liability under terms of the existing note and deed of trust. The Commission noted that Mr. Tellez owns the property and had made all payments on the property to the date of the Commission's order.

TAMI D. TILLEY (Durham) – By Con-

sent, the Commission revoked the broker license of Ms. Tilley effective October 1, 2008. The Commission found that Ms. Tilley accepted earnest money from a buyer in a real estate transaction and errantly deposited the money into her personal account. The Commission noted that Ms. Tilley replaced the funds with two money orders of her own. Ms. Tilley neither admitted nor denied misconduct.

JONATHAN B. WILLIAMS (Green-

ville) - The Commission accepted the permanent voluntary surrender of the broker license of Mr. Williams effective June 1, 2008. The Commission dismissed without prejudice allegations that Mr. Williams violated provisions of the Real Estate License Law and Commission rules. Mr. Williams neither admitted nor denied misconduct.

Safety Tip #8 - DRESS FOR SAFETY

- Dress professionally
 - Don't wear expensive or excessive jewelry
 - Always wear your cell phone
 - Only carry the cash or credit cards you need
 - Carry yourself with confidence
- Reprinted from the North Carolina Real Estate Agent Safety Guide.



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