



The Ohio
Department
of Commerce

Summer 2004

Division of

Real Estate and Professional Licensing

◆ N E W S L E T T E R ◆

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GOVERNOR

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DIRECTOR

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SUPERINTENDENT

◆ RESPA - Title Companies and Commissions

The issue of who may choose the title company and the payment of commissions directly from the title company has become the subject of much debate in the real estate industry. Understanding the provisions of RESPA, the Real Estate Settlement Procedures Act, further complicate the issue. Initially, real estate professionals should understand what RESPA prohibits and what it allows.

RESPA prohibits:

- A seller from requiring a buyer to purchase title insurance from a particular title insurance company.
- A real estate professional from paying or receiving anything of value for the referral of settlement services.

RESPA allows:

- A seller to choose which title insurance will be utilized when the seller is purchasing the title insurance.
- A real estate professional to receive a return on the ownership interest in a settlement service provider, provided the professional discloses such arrangement and does not require the use of the provider of settlement services.

It is common in some areas of Ohio for a seller to offer owner's title insurance as part of the purchase contract negotiations. Some buyers find this added security a valuable bonus when contemplating the purchase of a new home. It is acceptable industry standard for a seller to choose the title company, if the seller is paying for the owner's title insurance policy. Conversely, if the buyer is purchasing the owner's title insurance policy, typically the buyer chooses the title insurance company. Neither of these scenarios presents a RESPA violation. The RESPA violation occurs when the seller requires the buyer to purchase title insurance from a seller chosen title insurance company.

Real estate license law does not prohibit licensees from owning or having an interest in title companies or settlement service providers. Furthermore, provided the other RESPA requirements are met, licensees may receive compensation for their interest in the affiliated business. Licensees should insure that referrals to an affiliated business do not result in conduct that breaches the fiduciary duties licensees owe to their clients. An example of a potential breach would be when a licensee encourages a client to utilize a particular title insurance company, which happens to be an affiliated business, when it may be in the client's best interest to utilize a different company.

Real estate license law also prohibits salespeople from receiving commissions, fees or other compensation to which they may be legally entitled directly from the title company or settlement service provider. ***The law is very clear:*** salespeople may only receive commissions, fees or other compensation through their affiliated broker. Checks may only be made payable to the broker, and cannot be made jointly payable to a real estate salesperson and broker. Brokers may not exclude themselves from these requirements by executing a contract or trust agreement, thereby directing payment from the title company or settlement service provider directly to the salesperson.

Real estate professionals themselves are the best enforcement against illegal activity. Such activity can be harmful to consumers and brings disrepute to the entire industry. Professionals are encouraged to report violations of license law to the Division of Real Estate's enforcement section. Complaint information is available on the Division's website at www.com.state.oh.us/real. Violations of RESPA should be reported to the Director of the Office of RESPA and Interstate Land Sales, HUD, Room 9154, 451 7th Street, SW, Washington, DC 20410.

More information on RESPA can be obtained through the HUD website at www.hud.gov. The Ohio Department of Insurance website at www.ohioinsurance.gov has more information on owner's title insurance policies, their benefits and their risks.

Licensees Must Respond to Division Requests

The Division has started to utilize enforcement measures to obtain licensee response to Division requests. Examples include broker failure to cure audit deficiencies, failure to remedy a bounced check or failure to return a license after notice of a suspension. Superintendent Petit said, "It is never my preference to initiate discipline against a licensee and the consequences of refusing to comply with Division requests for information can be severe. It is important for our licensees to understand the gravity of such cases." Although a last resort, enforcement measures will prove to be a costly proposition for licensees, possibly resulting in civil penalties, additional education, license suspension or revocation.

Meet the Staff: Appraisal and Cemetery Section

Welcome to the Appraiser and Cemetery Section located in the Division of Real Estate & Professional Licensing's Cleveland office. Sylvia Keberle administers the Appraisal and Cemetery Programs and manages the staff for both the Appraisal and Cemetery Sections.

The Appraiser Licensing/Certification Section consists of Diane Burke and Rochelle Stage. They process all appraiser applications for initial Appraiser Licensing/Certification, Reciprocal and Temporary Appraiser Practice Permits as well as update appraiser continuing education and process appraiser renewals. Once the appraiser's continuing education data is entered into the Division's database an appraiser identification card is issued.

The Appraiser Enforcement Section includes Adam Tonti, Appraiser Investigator Supervisor, who reviews complaints filed against appraisers and supervises the appraiser investigation staff. Barbara Johnson, Appraiser Enforcement Secretary and Appraiser Investigators, Jim Hlad, Danitra Kourkounakis and Ken Seaman make up our Appraiser Enforcement staff. Barbara is responsible for the Appraiser Board's meeting agendas and prepares and maintains all the Division appraiser enforcement records.

The investigation staff performs investigations of complaints filed against licensed and certified appraisers and answers appraiser licensing



Columbus Office - From left to right: Ken Seaman and Danitra Kourkounakis

and certification questions. Once a complaint is submitted, it is assigned to an investigator. The investigator reviews the allegations, interviews the complainant, appraiser and other parties that may have information for the investigation and then submits a report that is reviewed by the Legal Section to either issue a charge letter for violation of Ohio Revised Code and/or the Uniform Standards of Professional Appraisal Practice or recommends the case be closed without taking further action. Those recommendations then proceed to the Superintendent for final determination.

The Cemetery Program is supported by one investigator, Ted Hornyak. Ted processes cemetery registrations and investigates complaints filed against cemeteries. He presents these complaints and proposes resolution to the Ohio Cemetery Dispute Resolution Commission. The cases involve sales, management and maintenance issues as well as matters pertaining to statutorily required Endowment Trusts and Pre-need Merchandise and Service Trust Funds.

Advertising Discipline Action

ADRIENNE ABBOTT, sales agent, Cincinnati, Ohio, was issued an advertising citation, in the amount of \$600.00, for violation of Sections 4735.16 and 4735.18 (A)(21) of the Ohio Revised Code. Ms. Abbott failed to identify her licensed brokerage's name on her business website, advertised an individual as a licensed salesperson when, in fact, the individual was not licensed and used a business name that was not licensed as a brokerage.



Cleveland Office - Front row (left to right): Diane Burke, Ted Hornyak, Barbara Johnson and Sylvia Keberle. Back row (left to right): Adam Tonti, Jim Hlad and Rochelle Stage.

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A Brief Review of Appraiser Compliance with the Ohio Revised Code

When a written complaint is filed with the Division of Real Estate & Professional Licensing and jurisdiction is confirmed, the process of an investigation is initiated. The Division prepares and sends notice letters of the complaint to both parties which state that an investigation has begun. The process of the investigation is explained in this letter with a request that all documents regarding the appraisal in question be sent to the Division for its review. A second letter is prepared and sent by the Division to both parties informing them of the investigator assigned to the investigation with an additional request for essential documents.

Failure of the licensees, certificate holders or registrants to comply with the request for documents causes delays in the investigative process. It is also a violation of the required attestation signed by an appraiser licensee as a part of the State application. Due to a substantial increase of appraisal complaints, failure to provide the requested documents in complaint cases already assigned for investigation has caused the Division

to increase the use of its subpoena power in order to obtain requested documents.

R.C. 4763.04 states that the court of common pleas, upon request of the superintendent or board, “may make an order awarding process of subpoena or subpoena duces tecum for the person to appear and testify before the board or the superintendent, and may order any person to give testimony and answer questions, and to produce books, records, or papers, as required by the board or the superintendent”. Further, in the same section of the code it explains that any person who fails to obey the subpoena can be held in contempt by the court for disobedience.

R.C. 4763.14 speaks of the retention of contracts, reports, data and furnishing those documents for inspection. It also requires that certificate holders, registrants, and licensees shall make available all records required to be maintained under this section for inspection and copying by the superintendent of real estate or the real estate appraisal board, or both, upon reasonable notice. This is accomplished by the Division in its initial

letter of the complaint notice that is sent to the respondent in a complaint requesting “documents” pertaining to the appraisal complaint.

The term “documents” includes, but is not limited to, letters, correspondence, drafts, negotiable instruments, memoranda, reports, records, summaries, notes, lists, publications, and any and all other writings, whether on paper, film, tape, or electronic media, and includes any written record made of any oral or electronic communication. Failure to furnish “documents” requested by the Division is a violation of the R.C. chapter 4763.04 that can result in disciplinary action including license, certificate or registration suspension or revocation.

Note: The appraisal education taken to satisfy disciplinary orders can not be used for credit for the 14 hours of approved continuing education required annually.

Consumer Forum Planned

This fall, the Division of Real Estate & Professional Licensing will pilot a Consumer Home Buying/Selling education forum with the Real Estate Industry in Portage, Stark, Trumbull, Mahoning and Summit counties. This will be the first in a series of statewide real estate education updates designed to introduce Ohio consumers to the wide spectrum of educational information on the home buying/selling process.

This pilot event will offer information on the appraisal, property condition disclosure form, agency disclosure, and tips on how to avoid the ills of the marketplace, thus preparing consumers to better identify possible hazards such as predatory transactions and mortgage fraud.

Based on response to this pilot program, the opportunity to partner with the Division on future educational offerings will be made available to other brokerages and groups across the state. For further information on this or future events, call Mary Petro at (614) 466-6297.

Auditing CE Courses: A New Division Procedure

Beginning on July 1, 2004, the Division implemented a new auditing program for real estate education courses in order to ensure the quality of approved education for the industry. Real Estate Investigators will conduct audits of real estate continuing education courses (CE) on a monthly basis, courses will be selected on a random basis or upon the Superintendent’s request. The purpose of the audit is twofold: first, to provide assistance to instructors to ensure CE courses are compliant to license law; and second, to improve the quality of courses for the real estate industry. The investigator will normally arrive the day of the CE class to notify the instructor that an audit will be conducted. During the audit, the investigator will use a checklist (a copy of which is posted on our website www.com.state.oh.us/real) to evaluate compliance in a variety of areas including class administration, course content and flow, instructor presentation, teaching aids, and command of the subject matter. If the investigator finds areas of deficiencies, the Division will work with the instructor and provider to make necessary corrections. If the deficiencies are not corrected within a prescribed time, the Superintendent may withdraw approval for the real estate continuing education course.

By auditing real estate education courses, the Division will provide a valuable assessment tool that course providers and instructors may use to improve quality of instruction and ensure the real estate industry is provided with accurate information.

Using Appraiser Trainees The Safe Way

Lower interest rates have generated so much work that professional appraisers everywhere are struggling to keep up. Many of these appraisers hire trainees as a solution to meeting their client commitments. While this may appear to be a good solution, be aware of the potential hidden costs and risks to your firm.

If done properly, the addition of trainees to your appraisal practice may provide a cost-effective increase in volume and allow you to maintain the quality you have worked so hard to achieve. Before looking for trainee candidates, you must commit to make available many hours of training and supervision.

Tell Tale Claims – Actual Claims from LIA Files

The Trainee Cover-Up

One particular claim involving a trainee will always stick in our mind. A lender sued an appraiser for over-appraising a commercial building. It was claimed that the building was virtually worthless because it had no plumbing or electricity. The loan balance would not have been recovered if the necessary improvements were to have been made. The lender argued that the loan never would have been approved had the true building conditions been reported.

Initially, the appraiser seemed baffled by the allegations. At first, he claimed that what he thought was a bathroom turned out to be a closet. He found the door closed and did not go inside. The matter of the electricity was another story. He swore that the building was occupied with people, sitting at desks, working on computers and adding machines and that lights were on.

After further investigation, we learned that the building in question shared a common wall with the building next door. The same individual owned both buildings. People who worked at the building in question used the bathroom next door, and extension cords were run from one building to the other through a large hole in the common wall. The property appraised truly had no utilities present.

When faced with this information, the appraiser finally admitted that a trainee was sent out to do the inspection and he had not actually seen the premises. He didn't mention this before because he had signed the report and stated that he had personally inspected the property.

The “Valuable” Helper

Another appraiser was overworked and hired a trainee to help with the workload. On certain assignments, the trainee just did some research. On others, the trainee did the whole report, including the inspections. In all cases, the supervising appraiser signed as if he had done them himself. After one problem appraisal was brought to the attention of the state appraiser board, an investigation determined that numerous reports had been improperly prepared. Unbeknownst to the appraiser, the trainee was fabricating comparable sales data to complete assignments. The appraiser ultimately had his license revoked due to his failure to properly supervise the trainee.

What You Can Do

On average, an appraisal claim is submitted 2-3 years after the appraisal is completed. By that time, the trainee who helped with the assignment in question may no longer be available. It is critical that you coach your trainees to produce files that are well documented, with legible notes and printouts of all research data. Here's what to add to your training checklist:

- Readable notes from the field inspection, including clarification of anything that could generate a question
- Print-outs of information from public records
- Print-outs of data used for comps presented, with notes on reasons for selection
- Print-outs of data used for comps not used, with notes on reasons for rejections
- Interior and exterior photos

REMEMBER: YOU WILL BE HELD ACCOUNTABLE FOR YOUR TRAINEE'S WORK. Be sure that you understand everything in the file before affixing your signature. The time it takes to do this is well worth it! To the entire world, you are responsible for any work product that bears your name.

Your Standard of Excellence

Coaching a trainee can provide you with a good review of the procedures necessary for proper file documentation. If you are a coach, be a reliable one. Contribute meaningfully to the development of your trainee's career. The quality of the training you give is a reflection of your professionalism.

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Appraiser Disciplinary Actions

REVOCATIONS

RANDY J. EVANS – State licensed residential real estate appraiser – License No. 442108 – Cleveland, OH. Mr. Evans failed to maintain and make available for investigation (inspection and copying), by the Superintendent of Real Estate, a true copy of the appraisal and supporting data assembled and formulated in preparing the appraisal report. Further, Mr. Evans failed to report the proper sale amounts of comparable properties and failed to report the prior sale of comparable property. For violations of Ohio Revised Code 4763.11(G)(14), as it incorporates Ohio Revised Code 4763.14 and Ohio Revised Code 4763.11(G)(5), as it incorporates the USPAP Rule 1-1(b) and Ohio Revised Code 4763.11(G)(6) Randy J. Evans' license was ordered revoked.

YVONNE FREY – State licensed residential real estate appraiser – License No. 417794 – Springboro, OH. Ms. Frey's license was revoked on five counts for failing to disclose the prior sales of the subject property, failing to state the reporting options, failing to disclose the sources for the site values cited in the cost approach to value in four appraisal reports she prepared in April, May and June of 2001, and for submitting appraisal reports to the division pursuant to an investigation that were not true and accurate copies of the original appraisal reports that the division received with the written complaints. Ms. Frey's revocation resulted from the multiple violations of Ohio Revised Code 4763.11 (G)(5) as it incorporates USPAP Rules 1-5(b)(i), 2-1(b), 2-2, 1-1(b) and 1-4(a) and Ohio Revised Code 4763.11 (G)(6), and Ohio Revised Code 4763.11(G)(5), as it incorporates the Record Keeping provision of the USPAP and Ohio Revised Code 4763.14.

SUSPENSIONS

RAYMOND DAYLE PETERS – State certified general real estate appraiser – License No. 398623 – Smithville, OH. Received a sixty (60) day suspension of his certificate, was ordered to complete a fifteen (15) hour classroom course in income approach to value and received a written reprimand for the careless or negligent manner in which he rendered appraisal services resulting in making such a series of errors that individually may not sufficiently affect the results of the appraisal but in the aggregate affected the credibility of the results of the appraisal. These were deemed a violation of Ohio Revised Code 4763.11(G)(5), as it incorporates the 1997 USPAP Rule 1-1(c) and failure to exercise competency, due diligence and to disclose any ownership in a financial institution to the transaction. For his violation of Ohio Revised Code 4763.11(G)(5), and Ohio Revised Code 4763.11 (G)(6) as it incorporates the 1997 USPAP Rule 2-2, Mr. Peters was issued a written reprimand reminding him that the appraiser must keep and transmit a true copy of each appraisal to any requesting investigative authority. For his violation of Ohio Revised Code 4763.11(G)(5), and Ohio Revised Code 4763.11(G)(6), as it incorporates the 1997 USPAP Rule 1-1(b) as set forth in the notice of opportunity for hearing, Mr. Peters is ordered to complete a fifteen (15) hour classroom course in sales comparison approach to value. All courses must be taken within one hundred twenty (120) days of the date of the order; however, the Superintendent may grant an extension upon good cause shown. The additional appraisal education taken cannot be used for credit toward the fourteen (14) hours of annually required appraiser continuing education. Specifically, Mr. Peters failed to explain in the appraisal reports how he arrived at the sale amount. He also failed to indicate where he obtained the site values per acre in appraisal reports. He

further failed to prominently state which of the three reporting options was used in each of the appraisals, and he used the wrong age for a comparable property in the appraisal report.

REPRIMANDS

DEBRA M. DICKENS – State licensed residential real estate appraiser – License No. 380353 – Ironton, OH. For failing to correctly report property data for comparable property she utilized in appraisal reports she prepared, for furnishing conflicting information with regard to the size, age, garage, and basement type, and failing to provide any description identifying the sources of the site value and reproduction costs that she utilized in the cost approach sections of two appraisal reports, Ms. Dickens was deemed to have violated Ohio Revised Code 4763.11 (G) (5) as that section incorporates USPAP Rule 1-1 (C) and Ohio Revised Code 4763.11 (G)(6). The Board issued a written reprimand instructing Ms. Dickens to use more care in the report writing, stating that if a report assignment is outside her area of expertise that she utilize outside help in preparing that assignment or decline taking the assignment. Ms. Dickens also was found to have violated Ohio Revised Code 4763.11(G)(5) as that section incorporates USPAP Rule 2-1(b) and Ohio Revised Code 4763.11 (G)(6). With respect to the disparities found in the report the Board again cautioned Ms. Dickens that extreme care be given in making a physical description that is accurate for not only the subject but on all comparable sales, and that all costs and other data be adequately documented. Furthermore, where the data sources are used, the appraiser must be certain to refer to the conveyance file, auditor's office and any other sources at the courthouse in furthering documentation of any sales that have taken place. Failure to do so results in reports that may mislead the consumer and/or the lender.

Real Estate Disciplinary Actions

SUSPENSIONS, FINES, EDUCATION

GARY M. SCHMITZ, broker, Columbus, Ohio, was fined \$2,000.00 for violating two counts of Ohio Revised Code 4735.18(A)(6), one as it incorporates Article 3 of the Canons of Ethics for the Real Estate Industry, when he failed to cooperate with the Division during a compliance audit by not having a licensee's license available and by allowing a salesperson to work without a license.

GARY J. SECKEL, broker, Columbus, Ohio, was fined \$750.00 for violating Ohio Revised Code 4735.18(A)(6) as it incorporates Article 3 of the Canons of Ethics for the Real Estate Industry, when he failed to cooperate with the Division by not submitting the required documents to correct deficiencies identified during a compliance audit. In addition, he was fined \$250.00, for violating Ohio Revised Code 4735.18(A)(9) as it incorporates Ohio Revised Code 4735.54 and Ohio Administrative Rule 1301:5-6-03, when he failed to produce a compliant company policy. Finally, he was fined \$250.00, for violating Ohio Revised Code 4735.18(A)(6) as it incorporates Ohio Administrative Rule 1301:5-5-09, when he failed to keep a columnar ledger for trust funds.

JIMMIE R. RONSHAUSEN, broker, West Lafayette, Ohio, as the result of an investigation of a formal complaint, was fined \$50.00 for violating Ohio Revised Code 4735.18(A)(6) as it incorporates Ohio Revised Code Sections 4735.62(A), (C) and (D), when he permitted a buyer to enter and take possession of a property without the permission of the sellers.

TIMOTHY W. PRIDDY, salesperson, Troy, Ohio, as the result of an investigation of a formal complaint, was fined \$100.00 for violating two counts of Ohio Revised Code 4735.18(A)(21), one as it incorporates Ohio Revised Code 4735.16(B)(1), when Mr. Priddy advertised that he was a salesperson for a company to which he had not yet transferred his license and when he

failed to display his broker's name on a "for sale" sign.

BRIAN D. KEMP, salesperson, Worthington, Ohio, as the result of an investigation of a formal complaint, was fined \$100.00 for violating Ohio Revised Code 4735.18(A)(6) as it incorporates Ohio Revised Code 4735.18(A)(21), when he advertised property in the M.L.S. as having no leased items, when in fact, the hot water tank on the property was leased. In addition, he was required to complete and to submit proof of completion of a three (3) hour civil rights course, for violating Ohio Revised Code 4735.18(A)(6), as it incorporates Ohio Revised Code 4735.55(A)(2), when he failed to use the correct fair housing language in the written agency agreement with the seller.

KENNETH R. YOUNG, broker, Brunswick, Ohio, as the result of an investigation of a formal complaint, had a fifteen (15) day suspension of his license, which commenced on April 9, 2004, was fined \$300.00, 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 4735.18(A)(20), when he offered real estate for sale, without the knowledge and consent of the owner or the owner's authorized agent.

KEITH C. LOWE, salesperson, Cleveland, Ohio, had his license suspended until he provides evidence that his probation is complete or terminated by the court, for violating Ohio Revised Code 4735.18(A). Mr. Lowe pled guilty to a felony, conspiracy to defraud the U.S., and was convicted of said felony in the U.S. District Court, Northern District of Ohio, Eastern Division in case No. 1:02 CR 352-041, on August 5, 2003.

MARY F. SPIRNAK, salesperson, Strongsville, Ohio, was fined \$100.00 for violating Ohio Revised Code 4735.18(A)(6), as it incorporates Ohio Administrative Rule 1301:5-1-10. Ms. Spirnak issued to the Division a personal check for her renewal fees. The check was returned to the Division

"unpaid." Despite notice to her of the return of this check, the fees remained unpaid.

ROBERT K. MAKARA, salesperson, Strongsville, Ohio, as the result of an investigation of a formal complaint, was fined \$300.00 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 4735.18(A)(14), when he offered a commission reduction in return for the buyers offering additional consideration in the purchase of a property. This was an inducement not recited in the purchase agreement.

RONALD KRYC, salesperson, Mt. Pleasant, South Carolina, was fined \$500.00 and was required to pay \$39.00, as replacement of a dishonored check, for violating Ohio Revised Code 4735.18(A)(6), as it incorporates Ohio Administrative Rule 1301:5-1-10. Mr. Kryc issued to the Division a personal check for his renewal fees. The check was returned to the Division "unpaid." Despite notice to him of the return of this check, the fees remained unpaid.

PAUL A. DUVALL, salesperson, Belpre, Ohio, as the result of an investigation of a formal complaint, was fined \$200.00 and was required to complete and to submit proof of completion of a three (3) hour course on agency, for violating Ohio Revised Code 4735.18(A)(9) as it incorporates Ohio Revised Code 4735.71(A), when he had the buyer of a property execute a dual agency disclosure form, but failed to indicate on the form what was the nature of the relationship that created the conflict.

JOSEPH A. HARTLEY, broker, Aiken, South Carolina, as the result of an investigation of a formal complaint, was fined \$200.00, for violating Ohio Revised Code 4735.18(A)(6) as it incorporates Ohio Revised Code 4735.14(D), when he failed to notify the Division of his home address change. In addition, as the result of an

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Information to the Division

The Ohio Division of Real Estate & Professional Licensing receives up to 500 pieces of mail each day. The mail received ranges from checks for new sales applicants to continuing education for long time licensees and everything in between. The majority of the documents received are complete and the mail can be opened up and sent to the correct section for processing. However, each day mail is received containing checks with no explanation as to what the funds are for, applications that are not complete or in some cases documents that do not have a file number on them or any indication as to what they relate to. This lack of sufficient information hinders the processing of these checks and documents.

When you send documents other than forms prescribed by the Division please provide an explanation as to why you are submitting them. The appropriate section cannot process your request until all required documents are received. When sending a check document or other information that was omitted from a prior mailing, please indicate that this is the case so that staff can add the follow-up material to your original application. If the Division requests documents from you please return the requesting letter along with the documents. Failure to return the documents within thirty days will result in the forfeiture of your application fee.

Before sealing your envelope, double-check to make sure the documents are complete, all necessary attachments are included, and the proper fee is enclosed if one is required.

Our ultimate goal is to serve you, our licensee, better and in a timely fashion. By adopting these few easy steps, you will assist us in achieving that goal.

Gifts and Ohio's Ethics Law

Ohio Ethics Law prohibits state employees from accepting gifts from any person or entity with which we do – or may in the future do – business, including those we regulate. Over the past several months, many of you have shown your appreciation to Division staff for outstanding service or assistance with a difficult situation by sending flowers, gifts or some other token. It is with regret that we have returned these gestures with a note explaining the provisions of Ohio Ethics Law. While your generosity and gratitude are special and humbling to the recipient, a letter, note or email of commendation addressed to the person's supervisor or Superintendent Petit would be a welcome and appropriate substitute for a token of your appreciation. Such a written accolade means so very much to the recipient and will follow him or her throughout state service because it is placed in the staff member's personnel file.

Should you have any questions regarding Ohio's ethics laws relating to employees of the executive branch, you may contact the Division's legal section or the Ohio Ethics Commission at (614) 466-7090.

Q & A - Moral Turpitude

Q. (1) What does Ohio real estate licensing law say about crimes of moral turpitude? (2) And, what is a crime of moral turpitude?

A. (1) R.C. 4735.18(A) provides that the Ohio Real Estate Commission may impose disciplinary sanctions upon any licensee who has been convicted of a crime of moral turpitude. R.C. 4735.13 states that any licensee who has been convicted of a crime involving moral turpitude shall notify the superintendent of the conviction or finding within fifteen days of the finding or conviction, or be subject to immediate revocation of the license.

(2) The Ohio Supreme Court has found that moral turpitude is generally defined as an “[a]ct or behavior that gravely violates moral sentiment or accepted moral standards of [the] community and is a morally culpable quality held to be present in some criminal offenses as distinguished from others. * * * citing Black's Law Dictionary (6 Ed.1991). Such acts must be measured against the accepted standards of morality, honesty, and justice prevailing upon the community's collective conscience. Proof of a criminal conviction is generally not conclusive of the issue of moral turpitude, which requires consideration of all the circumstances surrounding the illegal conduct. Rather, where moral turpitude is disputed, review of the circumstances underlying criminal convictions is necessary to determine if they manifest the requisite lack of social conscience and depravity beyond any established criminal intent.

WANT TO HAVE A GOOD TIME ON YOUR BIRTHDAY AND SAVE MONEY?

RENEW ON TIME

1. The cost to renew your license is \$39.00 for sales and \$49.00 for brokers, due each year on your birthday.
2. Licensees are sent a renewal reminder approximately 60 days before the due date. The sales renewal reminder is mailed to the home address, brokers' renewals are mailed to the business address. If you do not receive this courtesy reminder please check your address online and notify the Division if it is not correct. REMEMBER, even if you do not receive the reminder you still owe the annual renewal fee by your license expiration date.
3. To avoid having your license go into a "suspended status," renew online or have your payment post-marked by your birthday. A suspended status means you will have to submit to the Division your original license, a Sale or Broker Transfer/Reactivation Application, a 50% penalty and a reactivation fee. In addition, you may not transact any business while you are suspended.

Real Estate Disciplinary Actions continued...

investigation of a formal complaint, had a sixty (60) day suspension of his license, to commence upon reactivation and was fined \$500.00, for violating Ohio Revised Code 4735.18(A)(6) as it incorporates Ohio Revised Code 4735.13(C), when he failed to report convictions to the Division of misdemeanor crimes of moral turpitude.



**The Ohio
Department
of Commerce**

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