



DIVISION OF REAL ESTATE NEWSLETTER

September/October 1987

RICHARD F. CELESTE
GOVERNOR, STATE OF OHIO

KENNETH R. COX
DIRECTOR OF COMMERCE

MARGARET J. RITENOUR
SUPERINTENDENT OF REAL ESTATE

Superintendent's Column

Ohio Strengthens Fair Housing Law

By Margaret J. Ritenour, Superintendent

Ohio's fair housing law was recently strengthened when Governor Richard F. Celeste signed House Bill 5 into law on June 29, 1987. The Fair Housing Amendments Act, which became effective on September 28, expands protections against housing bias and provides new enforcement mechanisms. As a result of this bill, Ohio's law is now "substantially equivalent" to federal law.

I believe that passage of this law is an important step towards assuring fair housing for all Ohioans. By strengthening this law, all Ohioans are able to seek housing free from bias and discrimination.

As professionals in the real estate industry, it is important that Ohio's real estate licensees become familiar with this law and comply with it in all types of real estate transactions. The purpose of this article is to notify Ohio real estate licensees of the changes in Ohio's civil rights laws relating to discrimination in the purchase or sale of real estate.

The Ohio Fair Housing Amendments prohibit housing discrimination against persons on the basis of race, color, religion, national origin, ancestry, sex, or handicap. The law also covers the purchase, sale, rental, financing and insuring of properties. Redlining, the act of making mortgage loans unavailable because of a neighborhood's racial composition, is also forbidden.

The bill expands the categories of housing discrimination in Ohio to include:

- Refusing to negotiate for the sale or rental of housing;
- Falsely representing that housing is not available for sale or rental;

- Refusing to lend money connected with real estate because of the racial composition of the neighborhood in which the housing is located;

- Placing discriminatory conditions on the sale of fire, extended coverage, or homeowners' insurance.

Aggrieved parties can now file a complaint within 180 days of an incident with the Ohio Civil Rights Commission and/or the County Common Pleas Court. The Civil Rights Commission, upon finding probable discrimination, can seek temporary injunctions or restraining orders to prevent the housing from being rented or sold to another party.

If unlawful discrimination is found, offenders can be ordered to pay reasonable attorneys' fees and court costs as well as punitive damages up to \$5,000. New criminal penalties are also specified for intentional interference with an individual's fair housing rights, or threat of force.

The Ohio Civil Rights Commission has the authority to refer matters to the Ohio Attorney General's Office to begin court proceedings. This referral can occur whenever the Civil Rights Commission has reasonable cause to believe that any person is being denied his or her civil rights.

For further information regarding the recent changes in Ohio's civil rights law, licensees should write the Ohio Civil Rights Commission, 220 Parsons Avenue, Columbus, OH 43266-0543 or call (614) 466-2785.



EQUAL HOUSING
OPPORTUNITY

Attention!!!

PLEASE SHARE THIS NEWSLETTER WITH ALL
OF YOUR SALES ASSOCIATES. FEEL FREE TO
MAKE COPIES.

(THIS IS MAILED TO BROKERS AND BRANCH OFFICES ONLY)

Certificates Of Continuation To Be Mailed Soon

At the end of October, the Division will be mailing brokers their Certificates of Continuation to renew their licenses for 1988.

As you may recall, last year for the first time these Certificates were returned directly to the Division, rather than to the State Treasurer's Office. As anticipated, this change did expedite the renewal process and resulted in a quicker return of approved copies to brokers. Because of this success, the Division will repeat this process again this year.

Although most brokers accurately complete and return their Certificates of Continuation, common mistakes are made which result in Certificates being returned to brokers. To help brokers avoid these errors, the following points should be remembered:

- 1) The broker must sign the Certificate of Continuation. As simple as this might sound, a large number of forms are returned every year for this reason.
- 2) A broker, whose license is on deposit, must sign the Certificate of Continuation to renew that deposited license. Often a broker whose license is on deposit will have the broker with whom they may have an active sales license sign this Certificate. This is incorrect. Rather, a broker whose license is on deposit should sign their own Certificate of Continuation.
- 3) Brokers must include the name and account number of their trust or special account on the space provided in the upper right hand corner of the Certificate. The name of the institution where they maintain their trust or special account must also be included. Brokers should note that this account should be titled a "trust" or "special" account, *not* an "escrow" account.
- 4) If a broker moves his/her office, a change of address form should be returned with the Certificate. Brokers in this situation should contact the Division to obtain this form and to determine whether the

change of address will necessitate the printing of new licenses for their salespersons.

- 5) A salesperson's name can only be deleted from a broker's Continuation if the broker notified the salesperson before November 1, 1987 that he/she does not intend to renew his/her license for 1988. This notice must be sent to the salesperson by certified mail and a copy of the letter must be sent to the Division within 10 days after it is mailed to the salesperson. Unless these procedures are followed, a broker *must* renew a salesperson's license. The only exception would be if the salesperson requested that his/her license not be renewed. In that instance, a copy of the letter from the salesperson to the broker must be provided to the Division.
- 6) Brokers should only add a salesperson's name to the Certificate of Continuation if he/she actually has the license for that salesperson in hand. A salesperson's license cannot be reinstated or transferred to a broker merely by adding that person's name to the Continuation form.
- 7) To avoid errors or confusion, the Division asks that when adding a salesperson to the Certificate, that his/her name be TYPED (rather than handwritten) on the form. Also, when deleting a salesperson's name, it should be done with a *single, straight* line through that person's name so that the names of other salespersons are still legible.
- 8) Finally, during the renewal period the Division requests that licensees do not "walk-in" any continuation, reinstatement or other applications. Because of our heavy workload at this time, we cannot guarantee that these applications can be processed while you wait. Therefore, to avoid an unnecessary trip to Columbus, please *mail* these forms to the Division.

Any brokers who have questions regarding the renewal procedures, or who do not receive their Certificates of Continuation by November 13, 1987, should call the Division's Licensing Section immediately at 1-800-344-4100.

STATE OF OHIO
DIVISION OF REAL ESTATE
DEPARTMENT OF COMMERCE
TWO NATIONWIDE PLAZA, COLUMBUS, OHIO
43266-0547
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800/344-4100

RICHARD F. CELESTE, Governor, State of Ohio
KENNETH R. COX, Director
MARGARET J. RITENOUR, Superintendent

The Ohio Real Estate Commission

ARTHUR C. CHURCH, President
PAUL J. EVERSON
EDWARD J. KIZER
MARCELLUS H. SMITH
SANDRA J. TAYLOR

Reminder

Real estate licensees are reminded that sales licenses cannot be *transferred* in December. However, cancelled licenses can be *reinstated* during December.

Many licensees confuse these two facts and miss their reinstatement deadline under the mistaken belief that they cannot reinstate their license during December. Once again, it is only the *transfer* of licenses that is prohibited during December.

Disciplinary Actions

The purpose of this article is to disseminate to licensees information concerning recent Commission activities and decisions, pursuant to Section 4735.03(E) of the Ohio Revised Code.

The Commission has taken the following action with regard to these real estate licensees:

REVOCATION

JOHN G. EVANS, broker, Cleveland, Ohio, had his broker's license revoked for violating Section 4735.18(A), (F), and (Z) of the Ohio Revised Code. This revocation was ordered by the Ohio Real Estate Commission on August 29, 1985, and was recently affirmed by the Cuyahoga County Court of Common Pleas. This revocation became effective July 31, 1987. Evans received purchase money from the buyer of property which he applied to certain repairs on the property without the knowledge and/or consent of the buyer. Evans also failed to maintain a non-interest bearing special or trust account at all times that was separate and distinct from his personal account.

SUSPENSIONS

TIMOTHY WATTS, sales associate, St. Petersburg, Florida, had his sales license suspended for 30 days for violating Section 4735.18(F) of the Ohio Revised Code. This suspension shall commence upon reinstatement of his license. Watts entered into an agreement to purchase property. The purchase agreement provided that Watts was to assume the seller's existing FHA first mortgage. Watts failed to disclose to the sellers that they would remain liable for payments under the first mortgage, unless a release from liability was obtained.

JAMES BRACEWELL, broker, Cincinnati, Ohio, had his broker's license suspended for 180 days for violating Sections 4735.18(F) and (I) of the Ohio Revised Code. This suspension became effective July 31, 1987. Bracewell was convicted in the Southern District of the U.S. District Court of making false statements to the Veterans Administration. Also, Bracewell failed to notify the Ohio Division of Real Estate of this conviction within 15 days.

DONNA CAHILL, sales associate, Cincinnati, Ohio, had her sales license suspended for 15 days for violating Section 4735.18(F) of the Ohio Revised Code. This suspension shall commence upon reinstatement of her license. Cahill issued a check made payable to the Ohio Division of Real Estate to transfer her sales license. Payment of this check was refused by the bank upon which it was drawn.

SEMIRAMIS HUWE, sales associate, Athens, Ohio, had her sales license suspended for 30 days for violating Section 4735.18(I) of the Ohio Revised Code. This suspension commenced August 3, 1987. Huwe managed properties in her own name rather than in the name of the broker with whom she was licensed, and without the knowledge and consent of her broker.

SUPERIOR REALTY, INC., a corporate broker, Dayton, Ohio, had its broker's license suspended for 30 days for violating Section 4735.18(F) of the Ohio Revised Code. However, due to mitigating circumstances, 15 days of the suspension were waived. The 15 day balance of this suspension began on August 24, 1987. Superior Realty permitted a person to act as a real estate sales associate for their company who was not licensed at that time.

RECOVERY FUND ACTIONS

GARY VAUGHN LOUDENBACK, broker, Cleveland Heights, Ohio, had his broker's license automatically suspended pursuant to Section 4735.12(E) of the Ohio Revised Code. This suspension was a result of a payment made from the Real Estate Recovery Fund on August 21, 1987, of an unsatisfied judgment in the amount of \$4,000. This payment was made as a result of Loudenback's failure to return a deposit to the buyers of a property when the transaction was not completed.

DONALD WRIGHT, broker, Cleveland, Ohio, had his broker's license automatically suspended pursuant to Section 4735.12(E) of the Ohio Revised Code. This suspension was a result of a payment made from the Real Estate Recovery Fund on August 21, 1987, of an unsatisfied judgment in the amount of \$1,500. This payment was made as a result of Wright's failure to return earnest money held by him in his capacity as a real estate broker.

Marcellus Smith Appointed To Commission

Governor Richard F. Celeste has appointed Marcellus H. Smith to fill a vacant seat on the Ohio Real Estate Commission.

Mr. Smith is a licensed real estate broker who operates a sole proprietorship in Dayton, Ohio. In 1952, he became a licensed salesperson and four years later received his broker's license. He specializes in apprais-

als, residential sales and property management.

In a related matter, Arthur C. Church has been re-elected President of the Ohio Real Estate Commission for another one-year term. Mr. Church, who is the public member on the Commission, was appointed to the Commission in 1984 and was elected President of the Commission in 1985 and 1986.

Selmer Prewitt Resigns From Commission

After 10 years of service on the Ohio Real Estate Commission, Selmer Prewitt decided not to seek further appointment to the Commission.

With his extensive real estate experience, Mr. Prewitt served as an instrumental member of the Commission from 1977 to 1987.

Mr. Prewitt obtained his real estate sales license in 1943 and four years later earned his brokers license. At that time, he opened Prewitt Realty Co., Inc. which he continues to own and operate. He has specialized in real

estate appraisals since 1952.

Mr. Prewitt has served as President of the Cleveland Association of Real Estate Brokers and the Ohio Association of Real Estate Brokers as well as a member of the Board of Directors of the National Association of Real Estate Brokers.

"Selmer Prewitt has served with distinction on the Ohio Real Estate Commission. His dedication and experience will be greatly missed," said Superintendent Margaret J. Ritenour.

Brokers To Forward Copy Of Cancellation Notice

In last month's newsletter, brokers were notified of a recently amended rule regarding the return of a sales license. That rule now requires brokers to provide the Division with a copy of the written notification given to a salesperson that his/her license has been returned to the Division for cancellation.

Under this rule, this written notification must also inform a sales associate that he/she may only apply for reinstatement within two years from the end of the last year the license was renewed. After that two-year period, re-examination is required.

The purpose of this rule is to provide the Division with some verification that the sales associate was made aware that the license was returned to the Division and that he/she was notified of the time limit for reinstatement. Brokers should understand that no sales license will be accepted for cancellation unless a copy of the required letter to the salesperson is received by the Division.

A sample letter to assist brokers in complying with this rule was included on page 6 of the July/August 1987 issue of the Division of Real Estate Newsletter. Anyone who did not save that sample can obtain another copy by contacting the Division at its toll free number (1-800-344-4100) or by writing to The Ohio Division of Real Estate, Two Nationwide Plaza, Columbus, Ohio 43266-0547.

UPCOMING TEST DATES

The following are the tentatively scheduled dates for the real estate sales, brokers and foreign real estate sales examinations for the coming months:

	SALES		BROKERS
	COLUMBUS/CLEVELAND		COLUMBUS
Oct	7	22	5, 19
Nov*	4	19	9
Jan	6	21	11
Feb	3	18	8

*Additional exams may be added in late November in Columbus if warranted. No broker or sales exams will be given in December.

FOREIGN REAL ESTATE SALES

Oct	13, 27
Nov	10, 24
Jan	5, 19
Feb	2, 16

No foreign real estate sales or dealer's examinations will be given in *December*. The foreign real estate sales examination is given *only* in Columbus. Because of the small number of applicants for the foreign real estate dealer examination, these exams are scheduled on an individual basis as the applications are received.

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State of Ohio
Department of Commerce
Division of Real Estate
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