



## OHIO'S FAIR HOUSING LAW AMENDED

On June 30, 1992, Governor George V. Voinovich signed House Bill 321 which enacted changes in the classes of persons protected by the Ohio Fair Housing Law.

The classes which are protected under Ohio law (ORC Section 4112.02(H)) are race, color, religion, sex, national origin or ancestry, disability, or familial status. Under this section, it is unlawful on the basis of one of the protected classes to:

- Refuse to rent, sell, finance or insure housing accommodations or residential property.
- Represent to any person that housing accommodations are not available for inspection, sale, rental or lease.
- Discriminate against any person in the purchase, renewal, or terms and conditions of fire, extended coverage, or home owner's or renter's insurance.
- Refuse to consider without prejudice the combined income of both spouses.
- Print, publish, or circulate any statement or advertisement which would indicate a preference or limitation.
- Deny any person membership in any multiple listing service, or real estate broker's organization.

All housing accommodations, residential buildings, vacant lots or

other property used for residential purposes is covered by the law. However, religious, fraternal or bona fide private organizations which provide housing accommodations may give a preference to their own members.

### FAMILIAL STATUS

Familial Status means either of the following:

1). One or more individuals who are under 18 years of age and who live with a parent or guardian having legal custody of that person, or who live with the designee of the parent or guardian having legal custody of that person, or

2). Any person who is pregnant, or in the process of securing legal custody of any individual who is under 18 years of age.

The familial status provision, with limited exceptions, prohibits a housing provider from denying housing to families with children; however, protection is not applicable if housing is intended for, and to be occupied only by persons 62 years or older; or at least one person 55 years or older resides in each unit.

### PERSONS WITH DISABILITIES

Protection is also provided for persons who have a disability as defined by the law, who have a

history of a disability, or who are perceived as being disabled. The law also protects those persons who are associated with a disabled person.

Reasonable accommodation of a person's disability, and/or modifications of the housing accommodations that will afford the person with a disability full enjoyment of the premises or services of the housing accommodations must be provided for all common use areas. Under some limited circumstances the landlord, manager or owner of the housing accommodations must pay the expense of these reasonable accommodations or modifications. Under other circumstances, that cost can be paid by the occupant or user of the housing accommodations.

All new construction designed or first occupied on or after March 13, 1991, must meet accessibility standards for persons with disabilities.

Any questions concerning the Fair Housing Laws should be directed to your nearest Regional Office of the Ohio Civil Rights Commission.

Superintendent of Real Estate Dennis Tatum was recently elected co-chair of the National Fair Housing Committee at the National Association of Real Estate License Law Officials (NARELLO) Conference.



## HUD'S LEAD BASED PAINT DISCLOSURE FORM IN EFFECT

Purchasers of homes built before 1978 and insured by FHA loans will need to sign a lead based paint disclosure form effective December 1, 1992. The form outlines some of the signs which may indicate the presence of the paint and suggest ways to minimize potential health risks which may result from it.

This requirement will apply to homes, apartments or structures intended for human habitation, including any non-dwelling facility operated by the owner and commonly used by children under seven years of age, such as a child care center.

Under rules developed by the U.S. Department of Housing and

Urban Development, FHA borrowers buying such homes must read and sign the disclosure notice before a sales contract can be executed. Lenders will not be able to process applications for FHA-insured loans unless the form is attached. For refinancings on such properties, the borrower will need to sign the form.

The Division of Real Estate will provide updates as further information and clarification is provided by HUD on who is responsible for making the homebuyer read and sign the notice.

To receive a copy of the lead-based paint disclosure form, contact your nearest HUD office.

## APPRAISERS MUST COMPLY WITH STANDARDS

The Division of Real Estate reminds state-certified appraisers that they are required to comply with the Uniform Standards of Professional Practice.

The Ohio Real Estate Appraiser Board has found in reviewing submitted appraisals that many are not completed according to the uniform standards. Failure to follow the uniform standards can result in disciplinary actions.

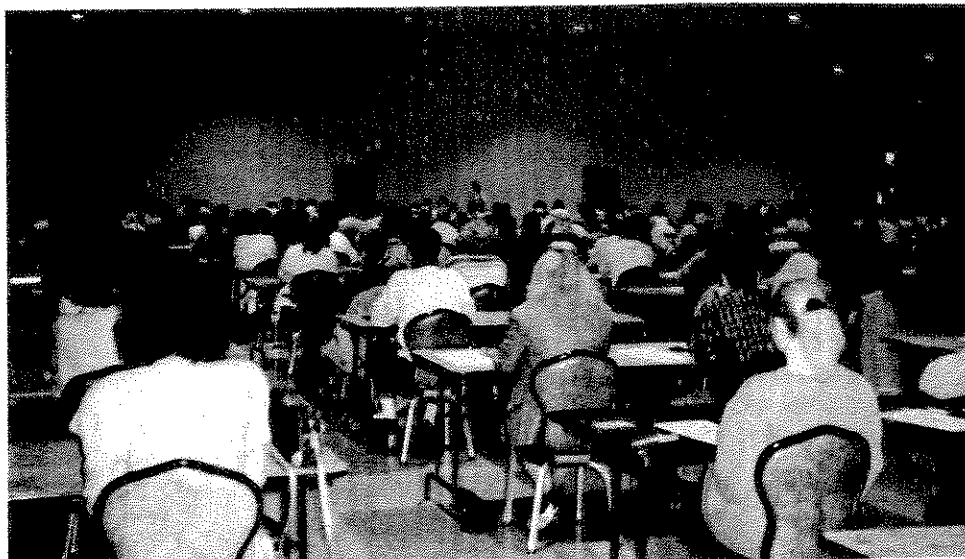
To obtain a copy of the Uniform Standards of Professional Practice, contact the Appraisal Foundation at:

1029 Vermont Ave. N.W.  
Suite 900  
Washington, D.C. 20005-3517  
(202) 347-7722

## OAR'S WEISENBORN PASSES AWAY

Robert Weisenborn, Executive Vice President of the Ohio Association of Realtors, passed away on November 2, 1992.

The Division of Real Estate extends its condolences to his family. "The Division has enjoyed a cooperative working relationship with Bob and we will miss his leadership on behalf of the members of the real estate profession," Superintendent Dennis Tatum stated.



*Applicants prepare to take the real estate sales examination at the Aladdin Temple in Columbus on November 4. Nelson Snider of the Division's Testing Section proctored the exam.*

STATE OF OHIO  
DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
77 S. HIGH STREET  
COLUMBUS, OH 43266-0547  
(614) 466-4100 OR (216) 787-3100

REAL ESTATE APPRAISER BOARD  
Edward M. Douglass, Chairman  
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Donald B. Leach, Jr.  
Robert Porter

REAL ESTATE COMMISSION  
Lois L. Yeager, President  
Norma L. Good  
Owen Hall  
John C. Kealy  
Edward J. Kizer





*Marcia James (left) and Bobby Rietenbach of the Division's Licensing Section prepare to mail the 1993 Certificates of Continuation to all brokers in Ohio. The deadline to file your completed certificate is December 31, 1992.*

## CERTIFICATES OF CONTINUATION DUE DECEMBER 31

The deadline to file your 1993 Certificate of Continuation is December 31, 1992. In order to legally continue to practice real estate in Ohio, these certificates must be filed annually by all brokers.

The renewal forms were mailed to each licensed broker, corporation, partnership, or association in Ohio in late October. If you have yet to receive your certificate, call the Division's Licensing Section at (614) 466-4100.

Ohio law provides a 15-day grace period to file the renewal by January 15, 1993. However, an additional 50% of the renewal fee is charged as a late filing penalty for continuations postmarked during the grace period. If the Certificate of Continuation is not postmarked by January 15, 1993, the broker's license will be revoked. As a result, the licenses of all salespersons affiliated with the broker will be cancelled.

When filing the certificate, please remember the following points:

- Answer all questions on your Certificate of Continuation including

the name and account number of your trust or special account. (This account should not be designated as an escrow account.)

- Enclose your check, certified check or money order made payable to the "Ohio Division of Real Estate".
- Include any late filing fee with your payment if filing after December 31, 1992, but before January 15, 1993.
- Enclose all licenses for persons who are not being renewed, if they have been properly notified.

Additionally, note that no sales license can be *transferred* during December, unless an undue hardship can be shown. Cancelled licenses can, however, be *reinstated* during December. Many licensees confuse these two and miss their reinstatement deadline under the mistaken belief that they cannot reinstate their license during December. Again, it is only the *transfer* of licenses that is prohibited in December.

Brokers who have any questions about the renewal process should call the Division at (614) 466-4100.

## CONTINUING EDUCATION REMINDERS

The Division would like to remind licensees that submitting their continuing education prior to its due date will **not** accelerate the due date for the next reporting period. For example, if your continuing education is due on January 31, 1993, submitting your material early will not alter your next education due date -- January 31, 1996.

As a reminder, licensees whose continuing education is due prior to January 31, 1995 must successfully complete the following courses to meet the requirements:

- A three-hour continuing education course devoted exclusively to civil rights and fair housing.
- A three-hour continuing education "core" course devoted to instruction in recently enacted state and federal legislation affecting the real estate industry.
- 24 hours of approved continuing education electives of the licensee's choice.

For those licensees whose continuing education is due on or after January 31, 1995, a recent rule revision will require a separate three-hour course in the canons of ethics for the real estate industry as adopted by the Ohio Real Estate Commission. This three-hour course will reduce the number of hours for approved continuing education electives from 24 hours to 21 hours. If you have any questions about the new requirement, call the Division's Education Section at (614) 466-4100.



# SETTLEMENT WARNS LICENSEES AGAINST DIRECTING CLIENTS TO TITLE, MORTGAGE COMPANIES

A recent out-of-court settlement in Minnesota highlights the impropriety of using anti-competitive referrals among title insurance, mortgage finance and real estate brokerages that have direct business ties to a parent corporation.

"This settlement serves as a warning to real estate licensees throughout the country," Superintendent Dennis Tatum said. "Real estate companies cannot direct or steer clients to certain title and mortgage companies without at least disclosing that they have ties to those organizations."

Under the Real Estate Settlement Procedures Act, buyers and sellers, in practically all circumstances, have freedom of choice in selecting title, legal, escrow, insur-

ance and settlement services.

Consumers in Minnesota alleged that Edina Realty used a standard home-listing form containing contractual language binding home sellers to use their affiliated title company without disclosing that Edina and the title company were subsidiaries of the same parent corporation.

If those ties are undisclosed or poorly disclosed, such referrals are probably in violation of federal law. Additionally, federal law would be broken if the buyers and sellers are not told that they can hire whomever they like to perform these services. If convicted, possible penalties include prosecution, fines and federal prison terms.

The out-of-court settlement was reached by Edina Realty, the Minnesota attorney general and the U.S. Department of Housing and Urban Development (HUD). Under the settlement, Edina promised to prominently disclose on two forms that the company has direct affiliations with a title insurance company and a mortgage lender. The new disclosures must clearly state that the consumer has choices in selecting companies to perform the title search, closing or financing, and need not employ any of the organizations affiliated with Edina Realty.

In addition, Edina agreed to pay \$49,000 to the Minnesota attorney general and HUD.

## UPCOMING TEST DATES

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

SALES COLUMBUS/CLEVELAND	BROKERS COLUMBUS	FOREIGN SALES COLUMBUS
Jan. 6/14	Jan. 11	Jan. 19
Feb. 3/18	Feb. 1	Feb. 9
March 3/18	March 1	March 9
April 7/15	April 5	April 13

(Additional exams may be added if warranted)

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.

### APPRAISER CERTIFICATION EXAMS (GENERAL AND RESIDENTIAL)

COLUMBUS  
Jan. 7  
Feb. 4  
March 4

## ATTENTION BROKERS!

Are you  
forwarding  
copies of this  
newsletter to  
your  
salespersons?

State of Ohio  
Department of Commerce

Ruth Ann Wright,  
Deputy Director

Dennis Ginty, Editor



# DISCIPLINARY ACTIONS

## SUSPENSIONS

**HENRY GORDON BAILEY, JR.**, sales associate, Reynoldsburg, Ohio, had his sales license suspended for 60 days for violating Ohio Revised Code Section 4735.18 (A)(6) and Section 4735.18 (A)(9) as it incorporates Section 4735.21 of the Ohio Revised Code. This suspension began on September 15, 1992. Mr. Bailey collected monthly rental payments from the tenant of a property for a seven-month period. Mr. Bailey collected these payments in his own name, and not in the name of the broker with whom he had his license associated. Mr. Bailey entered into an agreement to manage the subject property in his own name, and not in the name of his broker. Finally, Mr. Bailey failed to remit these funds he received in a fiduciary capacity to his broker for deposit into the brokerage's real estate trust account.

**GEORGIA LEE BAILEY**, broker, Reynoldsburg, Ohio, had her broker's license suspended for 30 days for violating Sections 4735.18 (A)(6) and (A)(26) of the Ohio Revised Code. This suspension began on September 15, 1992. The tenant of a property submitted monthly payments to Ms. Bailey's sales associate, Henry Gordon Bailey, during a seven-month period. Ms. Bailey failed to assure that these funds were deposited into her real estate trust account. Ms. Bailey also permitted Mr. Bailey to collect these rental payments in his own name. Finally, Ms. Bailey maintained a trust account for 11 months which did not bear the words "trust account" or "special account".

**JOHN W. BROWN**, broker, Dayton, Ohio, had his broker's license suspended for 20 days for violating Section 4735.18 (A)(6) of the Ohio Revised Code. This suspension began on August 3, 1992.

Mr. Brown received a downpayment from a buyer in connection with the buyer's attempts to purchase a property. However, Mr. Brown caused this money to be removed from his real estate brokerage trust account and placed in an interest-bearing certificate of deposit in another individual's name.

**JOHN F. CARNEY**, sales associate, Zanesville, Ohio, had his sales license suspended for 90 days for violating Section 4735.18 (A)(6) of the Ohio Revised Code. This suspension began on September 15, 1992. Mr. Carney prepared a purchase agreement on behalf of the buyer of a property. Mr. Carney knew that the buyer was intending to use the subject property for the operation of a business. However, Mr. Carney failed to verify prior to the buyer submitting his offer, that the property was zoned for commercial use. Several years later, this same buyer/owner listed the subject property for sale with Mr. Carney. However, Mr. Carney also failed to assure that the subject property was placed in the Multiple Listing Service, as stated in the listing agreement.

**PAUL CARRERA**, sales associate, Columbus, Ohio, had his sales license suspended for 60 days for violating Section 4735.18 (A)(6) of the Ohio Revised Code. This suspension shall commence upon reinstatement of Mr. Carrera's real estate license. Mr. Carrera prepared a purchase offer on behalf of a prospective buyer of a property. On the subject offer, Mr. Carrera represented the receipt of a larger earnest money deposit than what he actually received.

**LARRY C. CARTER**, sales associate, Columbus, Ohio, had his sales license suspended for 30 days for violating Sections 4735.18 (A)(6) and (A)(19) of the Ohio Revised Code.

However, due to mitigating circumstances, 15 days of this suspension were waived by the Ohio Real Estate Commission. The 15-day balance of the suspension began on October 23, 1992. Mr. Carter negotiated the sale of a property directly with the owners when he knew they had a written outstanding contract granting exclusive agency to another real estate broker.

**EDWARD CERANKOWSKI**, broker, Garfield Heights, Ohio, had his broker's license suspended for 30 days for violating Section 4735.18 (A)(6) of the Ohio Revised Code. Due to mitigating circumstances, however, 15 days of the suspension were waived by the Commission. The balance of this suspension began on August 3, 1992. Mr. Cerankowski permitted Bert Csizek, a real estate broker whose license was not associated with Mr. Cerankowski's brokerage, to act as a real estate broker on behalf of Mr. Cerankowski's brokerage. On behalf of the brokerage, Mr. Csizek prepared a listing agreement and a sales agreement with respect to two different properties.

**DAVID KABER**, broker, and **CINVEST, INC.**, corporate broker, Cincinnati, Ohio, each had their broker's license suspended for 60 days for violating Ohio Revised Code Sections 4738.18 (A)(6), (A)(26) and (A)(9) as it incorporates Section 4735.13 (A) and/or (D). Mr. Kaber received an earnest money deposit from a prospective buyer in connection with that buyer's efforts to purchase a property. Mr. Kaber deposited these funds into Cinvest's real estate trust account, however, he failed to maintain this money in the trust account. Also, Mr. Kaber changed the business location of

*(Continued on page 6)*

## DISCIPLINARY ACTIONS *(Continued from page 5)*

Cinvest, Inc. without giving written notice to the Division of Real Estate, and without the issuance of a new license.

**JEAN WEILBAKER**, sales associate, Cincinnati, Ohio, had her sales license suspended for 15 days for violating Section 4735.18 (A)(6) of the Ohio Revised Code. However, due to mitigating circumstances, imposition of this suspension was waived by the Commission. Ms. Weilbaker prepared a real estate purchase offer on behalf of a prospective buyer. The sellers of the subject property made two changes to the offer and initialed these changes. However, Ms. Weilbaker failed to obtain the prospective buyer's written acknowledgment to these changes.

**GARY ZINKON**, broker, Zanesville, Ohio, had his broker's license sus-

pending for six months for violating Sections 4735.18 (A)(6), (A)(21), and (A)(24) of the Ohio Revised Code. This suspension began on September 15, 1992. Mr. Zinkon prepared a real estate purchase offer on behalf of a prospective buyer, however, he failed to provide an agency disclosure form to the prospective buyer. Also, Mr. Zinkon caused to be published an advertisement for the subject property which represented the property had free gas heat. However, this claim was false as the property did not have a free gas supply. Furthermore, the Ohio Division of Real estate issued a subpoena pertaining to an investigation conducted by the Superintendent. The subpoena required Mr. Zinkon to produce all of his trust account records for a certain time period. However, Mr. Zinkon failed to comply with the

subpoena issued to him. Finally, Mr. Zinkon failed to maintain records of his trust account during the subject time period, including deposit slips, bank statements, cancelled checks, and ledgers.

## RECOVERY FUND ACTIONS

The following persons had their real estate licenses automatically suspended pursuant to Section 4735.12(E) of the Ohio Revised Code. These suspensions were a result of payments made from the Real Estate Recovery Fund:

	<u>Amt. Paid</u>	<u>Date Paid</u>
Robert L. Conley	\$2,849.50	9-18-92
Angela Skur	\$8,000.00	9-30-92
Roland Skur		
Garden Realty East, Inc.		



State of Ohio  
Department of Commerce  
Division of Real Estate  
77 South High Street, 20th Floor  
Columbus, OH 43266-0547

BULK RATE  
U.S. POSTAGE  
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Permit No. 3592  
Columbus, Ohio

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