



Skip Alston Elected Chairman; Marsha Jordan to Vice Chair

Melvin L. "Skip" Alston of Greensboro has been elected Chairman of the North Carolina Real Estate Commission and Marsha H. Jordan of Lincoln, Vice Chair, it was announced by Phillip T. Fisher, Executive Director.

Alston has been a member of the Commission since 2003. He is serving his fourth four-year term as a member of the Guilford County Board of Commissioners and was elected its first African American chairman in December 2002 for a one-year term.

For the past 25 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, with 22 full time employees and seven sales agents.

He is also involved with several other successful business ventures in the Greensboro community, such as President of East Market Street Square, Inc., a commercial development company; Alston and Alston, LLC, a consulting firm; Skip's All Beef Hotdogs, Inc.; and Vice President of S & J Partnership,



Alston



Jordan

Inc., dba The Bar-B-Que Palace.

Immediate past president of the North Carolina State Conference of NAACP Branches, which consists of 120 Adult Branches and 60 Youth and College Chapters across the state, Alston has also served on the NAACP National Board of Directors since 2001 and has been a member of the NAACP 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

(See **Elections**, page 5)

! If your license status is "PBT", (you were licensed as a real estate salesperson before October 1, 2005, and your license was converted to a broker license on provisional status April 1, 2006), you have until April 1, 2008 to either complete the *Broker Transition* course or certify that you have a certain amount of real estate experience.

On April 1, 2008, your license will be placed on inactive status (if not already on inactive status) unless you have completed the 24-hour *Broker Transition* course or completed and submitted the Provisional Broker Certificate of Experience.

In addition, you will be required to complete the three 30-hour postlicensing courses and any required continuing education in order to reactivate it.

(See **PBT**, page 5)

Fraud Act Carries Tougher Penalties

Those who commit mortgage fraud, one of the fastest growing white collar crimes in the United States, will face tougher prosecution and penalties in North Carolina under the recently enacted Residential Mortgage Fraud Act, which becomes effective December 1.

Drafted initially by Real Estate Commission staff and based on a similar law in Georgia, the new law was supported by the Commission, the state's Commissioner of Banks and the Attorney General. It passed unanimously in both the House and the Senate.

(See **Fraud Act**, page 5)



Alston, Jordan Take Oath from Lieutenant Governor Perdue

Lieutenant Governor Beverly E. Perdue administered the Oath of Office to Commission Chairman Melvin L. "Skip" Alston and Vice Chair Marsha H. Jordan. Shown (l. to. r.) are Commission members Joe L. Hodge, Jr., Raymond A. "Buddy" Bass, Jr., Vice Chair Jordan, and Matthew "Rick" Watts, Lieutenant Governor Perdue, Chairman Alston and Commission members Sang J. Hamilton, Sr., and S. R. "Buddy" Rudd, Jr.

REAL ESTATE BULLETIN

Published as a service to real estate licensees to promote a better understanding of the Real Estate License Law and Commission rules, and proficiency in real estate practice. The articles published herein shall not be reprinted or reproduced in any other publication without specific reference being made to their original publication in the Commission's Real Estate Bulletin.

NORTH CAROLINA REAL ESTATE COMMISSION

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Phillip T. Fisher

Editor

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

Appearances

Miriam J. Baer, Assistant Director of Legal Services, spoke to the Hendersonville Board of REALTORS® and to the High Point Regional Association of REALTORS® on real estate transaction forms.

Janet B. Thoren, Chief Deputy Legal Counsel, spoke to the Fall Seminar and Educational Conference of the Legal Support Staff of North Carolina, Inc.

Gary R. Caddell, Senior Auditor/Investigator, Training Officer for the Audits and Investigations Division,

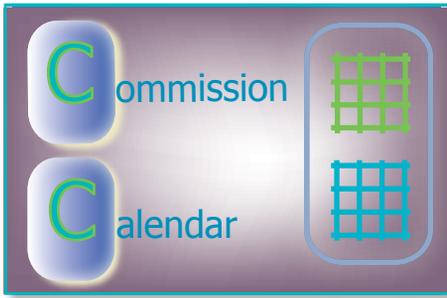
spoke to the Property Management Division of the North Carolina Association of REALTORS® on the "Top Ten Complaints Registered Against Property Managers".

Peter C. Evans, III, Information Officer, spoke to the Greenville Area Property Managers Association on property management and landlord/tenant issues, and to the Albemarle Area Association of REALTORS®, Burke County Board of REALTORS®, and the Catawba Valley Association of REALTORS®.



Allan R. Dameron Legal Internships

Ryan G. Short of Gastonia and Sara Kroll Weed of Greenville received the first Allan Dameron Legal Internship awards in memory of and tribute to former Commission Chairman Allan R. Dameron for his dedicated service in protecting the interests of North Carolina real estate consumers. Mr. Bass and the Commission welcomed Lydia Dameron and her son, Demian Dellinger, who were present for the presentation of the awards. Short and Weed are third-year law students at North Carolina Central University and the University of North Carolina, respectively.



November 7
 December 12
 January 15
 February 13
 (Durham)

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.

BIC Course Now Open to Brokers

The Commission's *Broker-in-Charge* course is now open to any broker (preferably not on provisional status) who wishes to register for it. For the past two years, only individuals who were designated as brokers-in-charge on Commission records were eligible to enroll in the course.

The 12-hour *BIC* course is taught over two days and is offered only by the Commission. Class the first day is from 1:00-5:00pm and the second day from 8:30 a.m. to 5:30 p.m. You must take the entire 12 hours at one time to receive four hours of elective con-

tinuing education credit. The course is offered monthly in Raleigh and Charlotte and periodically at other locations in the state. You may register for the course at the Commission's web site, www.ncrec.state.nc.us, under "Course Registration."

If you are designated a broker-in-charge after April 1, 2006, you must take the *BIC* course within 120 days of designation *unless* you had taken the 12-hour course within three years *prior* to designation and there is no break in service.

If you were a broker-in-charge prior

to April 1, 2006, you may transfer offices and be designated a broker-in-charge at a new location. You will not be required to take the course *so long as* there has not been *any lapse* in your broker-in-charge status. If a break in status has occurred, then you must meet the current requirements of the law: two years full time brokerage experience within the last five years and take the 12-hour *BIC* course within 120 days of designation. If you take the course and are not a broker-in-charge and you are subsequently designated a broker-in-charge within three years after you completed it, you will not be required to repeat the class.

(See **Broker-in-Charge**, page 6)

COURSE SCHEDULES

This schedule provides locations, dates, and times for the courses indicated through December 2007. 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	November 28, 29	Holiday Inn - East/Blue Ridge Parkway
Banner Elk	October 23, 24	Best Western Mountain Lodge
Charlotte	December 3, 4	Holiday Inn Airport
Greensboro	November 19, 20	Clarion Hotel (formerly the Radisson)
Raleigh	November 14, 15 December 17, 18	McKimmon Conference Center
Rocky Mount	December 10, 11	Holiday Inn Rock Mount
Wilmington	November 7, 8	Coastline Inn & Convention Center

Basic Trust Account Procedures

Banner Elk	October 24, 9 a.m.-1 p.m.	Best Western Mountain Lodge
Charlotte	December 4, 9 a.m.-1 p.m.	Holiday Inn Airport
Raleigh	November 6, 1-5 p.m.	McKimmon Conference Center

Trust Account Procedures for Resort Property Managers

Kill Devil Hills	December 13, 9 a.m.-1p.m.	Ramada Plaza Resort
Wilmington	November 8, 9 a.m.-1 p.m.	Coastline Inn & Convention Center

NUMBERS

The statistics here generally reflect the activities of the Real Estate Commission during the period from May 1, 2006 to April 30, 2007.

Contact

- 272,600 telephone calls
- 1.2 million+ website "hits"

Publications

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

Technology

- Online license renewals increased 56%
- 7,423 student rosters electronically processed for CE courses

Licensing

- 400,000 license records changed (a 36% increase)
- 15,217 applications processed for licenses by examination
- 15,215 license examinations administered
- 8,494 licenses by examination issued
- 820 licenses issued by reciprocity (a 17% increase)

- 1,640 firm licenses issued
- 371 expired, surrendered and suspended licenses reinstated
- 4,200 Certificates of License History issued
- 452 license applications regarding character issues reviewed by Commission
- 201 license applicant conferences conducted
- 27 new private real estate school licenses issued and 52 renewed

Education

- 36 real estate instructors approved and 37 renewed
- 71 new continuing education elective courses approved (for a total of 409 courses)
- 31 new continuing education sponsors approved (for a total of 171)
- 27 new continuing education *Update*

Course instructors approved (for a total of 216

- 47 *Broker-in-Charge* Course sessions conducted for 3,764 licensees

Audits/Investigations

- 131 field investigations completed
- 124 trust accounts examined
- 408 persons interviewed
- 23 trust account sessions conducted for 654 students
- 3,777 students instructed for trust account portion of BIC course

Legal

- 1,344 case (complaint) files opened and 1,402 closed
- 25 licensees reprimanded
- 67 licenses suspended
- 31 licenses revoked
- 18 licenses surrendered
- 91 cases utilized conditional remedies

Rudd Named 2007 REALTOR® of the Year

Real Estate Commission member S. R. "Buddy" Rudd of Oak Island has been named by the North Carolina Association of REALTORS® as 2007 REALTOR® of the Year.

The award is made annually to a REALTOR® for significant contributions to the industry and the community.



Scholarship winners (l. to r.) Colleen Snyder, Amy Hedgecock and Donna P. Russell receive the congratulations of Real Estate Commission members (l. to r.) S. R. "Buddy" Rudd, Jr., Vice Chair Marsha H. Jordan, Joe L. Hodge, Jr., Chairman Melvin L. "Skip" Alston, Raymond A. "Buddy" Bass, Jr., M. Rick Watts, and Sang J. Hamilton, Sr.

Commission Scholarship Winners

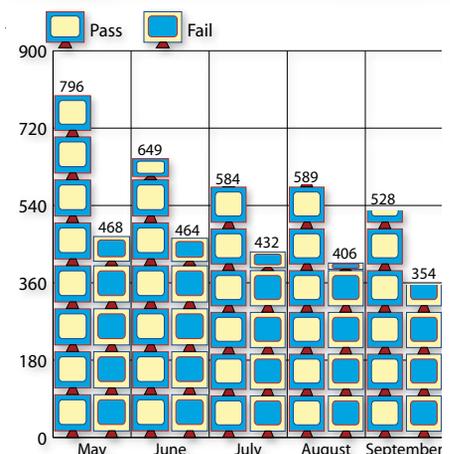
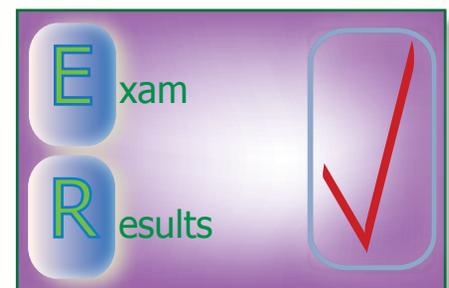
The North Carolina Real Estate Educational Foundation has named Amy Hedgecock of High Point as the recipient of the Blanton Little Memorial Scholarship and Colleen Snyder of Asheville as the recipient of the Joe Schweidler Memorial Scholarship.

The awards recognize their outstanding academic achievement in REALTORS® Institute courses.

The North Carolina Chapter of the

National Association of REALTORS® Council of Residential Specialists chose Donna P. Russell of Greensboro for the Phillip T. Fisher Scholarship for outstanding performance in her CRS course.

Little and Schweidler were former Executive Directors of the Commission. Fisher is currently Executive Director.



Elections

(Continued from page 1)

corporation formed for the purpose of purchasing and renovating the historic Woolworth Building in downtown Greensboro where the 1960 Sit-Ins took place, into an international Civil Rights Center and Museum.

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

Alston resides in Greensboro with his wife, Gwendolyn, and is a member of St. James Baptist Church. He has two sons, DeSean Jahleel Alston, 25, who is also a real estate broker, serving as Vice President of The Alston Realty Group, Inc. and Ryan DeMarkus Alston, 15, who attends Ragsdale High School 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-elect 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.

Jordan and her husband, Max, a real estate broker and contractor, reside in Lincolnton and have one son, Jason, a student at the University of North Carolina at Charlotte and a broker.

PBT

(Continued from page 1)

The BTC has no exam at the end and counts as your continuing education elective course for this year. For course dates and locations, go to the Commission web site, www.ncrec.state.nc.us, click "Continuing Education", click "CE Course Schedule" and scroll down to "24 Hour Broker Transition Courses".

Since course availability could be a problem as the April 1, 2008, deadline approaches, we advise you to enroll in the BTC as soon as possible.

You are not required to take the BTC if, during the past six years, you have engaged in activities which required a real estate license on a full-time (or equivalent part-time) basis for at least **four years**. Activities which require a real estate license

include listing, selling, buying, leasing or renting real estate for others for a fee. "Full-time" means at least 40 hours per week or 2000 hours per year.

You can certify this experience at the Commission's website. On the Home page, click on "To submit Provisional Broker Certificate of Experience", log in by entering your license and PIN numbers and click on "Certification of Experience".

Fraud Act

(Continued from page 1)

The Act makes mortgage fraud a separate and defined felony in this state. Persons are guilty of residential mortgage fraud if they:

- knowingly make or attempt to make any material misrepresentation or omission within the lending process with the intention that someone involved in the lending process relies on it;
- use or facilitate the use of a misstatement in the lending process;
- receive or attempt to receive any of the funds from the tainted loan, or
- conspire to violate the provisions of the Act.

The Act also is clear that it is not necessary for the prosecutor to show

that anyone was harmed financially as a result of the mortgage fraud or that anyone actually relied on the misstatement, misrepresentation, or omission.

Penalties for violation of the Act are severe. A first offense is punishable as

a Class H felony with a maximum of 25 months in prison, but if a prosecutor can show a pattern of fraud involving five or more loans, it is a Class E felony punishable by up to 74 months in prison.



Communications Award

Mary Frances Whitley, President of the Association of Real Estate License Law Officials (ARELLO) and Commission Director of Administration, presents ARELLO's annual Communications Award to Robert Forshaw, Publications Officer, for the Commission's newsletter, the Real Estate Bulletin. ARELLO membership is comprised of real estate regulators and allied organizations in the 50 states, U. S. territories and abroad.

Broker-in-Charge

(Continued from page 3)

Annual Review Course

To remain a broker-in-charge you must take the *Broker-in-Charge Annual Review* course each year, beginning the *first license year after the license year in which you are designated*. The four-hour *Review* course is written by the Commission and taught by its approved *Update* course instructors.

The Commission's intent is that the *BIC Annual Review* course be open *only to brokers-in-charge* or to former brokers-in-charge who have continuously

maintained their eligibility by taking the *BIC Annual Review* course. A proposed rule change will soon deny any continuing education credit to brokers who enroll in this class who are not brokers-in-charge.

The vast majority of brokers-in-charge in North Carolina were designated prior to the new law and had the predecessor 4.5 hour version of the *Broker-in-Charge* course. They may never be required to take the 12-hour *Broker-in-Charge* course so long as they: 1) take the *Broker-in-Charge Annual Review* course and the mandatory *Update* course prior to June 10, 2007

and each year thereafter; and 2) pay their \$40 renewal fee prior to June 30 each year; and 3) maintain their current broker-in-charge status. Any lapse in their broker-in-charge status or failure to renew their license on time or take the *RE Update* course or the *Broker-in-Charge Annual Review* course each year will result in removal as broker-in-charge. To be eligible for re-designation as broker-in-charge, they must satisfy the two-year experience requirement and take the 12-hour course within 120 days of designation.

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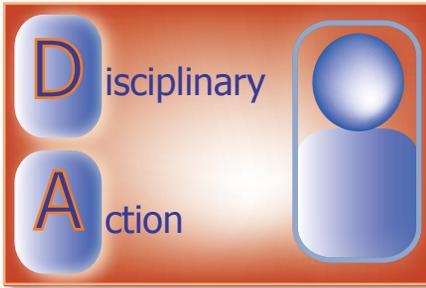
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Penalties for violations of the Real Estate Law and Commission rules vary depending upon the particular facts and circumstances present in each case. Due to space limitations in the Bulletin, a complete description of such facts cannot be reported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

DAVID G. ARNETT D/B/A DGA REALTY (Charlotte) – The Commission accepted the permanent voluntary surrender of the broker license of Mr. Arnett effective September 1, 2007. The Commission dismissed without prejudice allegations that Mr. Arnett violated provisions of the Real Estate License Law and the Commission rules. Mr. Arnett neither admitted nor denied misconduct.

MICHAEL T. BALL (Loganville, Georgia) – The Commission accepted the voluntary surrender of the broker license of Mr. Ball for a period of 30 months effective July 16, 2007. The Commission dismissed without prejudice allegations that Mr. Ball violated provisions of the Real Estate License Law and the Commission rules. Mr. Ball neither admitted nor denied misconduct.

WALTER E. BARRINGER (Charlotte) – The Commission revoked the broker license of Mr. Barringer effective June 4, 2007. The Commission found that Mr. Barringer made a false claim for a commission. The Commission also found that Mr. Barringer misrepresented to two sellers that he had procured buyers for their properties and that he or a buyer would make the mortgage payments on their properties until sold. The Commission further found that Mr. Barringer failed to deposit option money from two buyers into a trust account, and failed to account to the buyers or sellers for the option money.

WILBUR L. BECK (Fayetteville) – By Consent, the Commission reprimanded Mr. Beck effective October 1, 2007. The Commission found that Mr. Beck, as broker-in-charge of a real estate brokerage firm, failed to maintain records of all receipts and disbursements of the funds of others in such a manner as to create a clear audit trail. The

Commission noted Mr. Beck subsequently implemented a new trust accounting software program to bring the records into compliance, and that no consumer incurred any financial loss as a result of Mr. Beck's conduct.



VICKIE P. BARTLETT (Sparta) – By Consent, the Commission suspended the broker license of Ms. Bartlett for a period of two years effective May 30, 2007. Three months of the suspension were active with the remainder stayed for a probationary period of 21 months. The Commission found that Ms. Bartlett, following her guilty plea, was convicted in federal court of aiding and abetting health care fraud and sentenced to two years probation and to pay a fine and restitution.

BEST REALTY INC. (Stanley) – By Consent, the Commission reprimanded Best Realty effective September 1, 2007. The Commission found that in 2005, Best Realty served as a marketing firm for a builder/developer, and failed to disclose to purchasers of a particular lot that an adjacent property owner claimed a prescriptive easement across the lot.

RONALD L. BEST (Stanley) – By Consent, the Commission suspended the broker license of Mr. Best for a period of one year effective September 1, 2007. The Commission then stayed the suspension for a probationary period one year. The Commission found that in 2005, Mr. Best, a builder/developer, marketed a subdivision he developed and failed to disclose to purchasers of a particular lot that an adjacent property owner claimed a prescriptive easement across the lot, and that after closing, the purchasers and their builder were sued by the adjacent property owner. The Commission noted that the suit was settled by Mr. Best buying the adjacent property owner's property.

LINDA BLACKBURN (Surf City) – By Consent, the commission suspended the broker license of Ms. Blackburn for a period of 60 days effective September 1, 2007. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Ms. Blackburn, as broker-in-charge of a real estate brokerage firm, made no effort to review or oversee trust account procedures and therefore failed to detect significant trust account problems and shortages.

ROBERT J. BLACKBURN (Durham) -- By Consent, the Commission suspended the broker license of Mr. Blackburn for a period of one year effective May 10, 2007. Thirty days of the suspension were active, with the remainder stayed for a probationary period. The Commission found that Mr. Blackburn acted as an agent in a transaction where the buyers received loan(s) from the seller in order to exit bankruptcy and close the transaction and failed to assure that the loan(s) were reflected on the closing statement prepared by the closing attorney. The
(See **Disciplinary Action**, page 10)

Disciplinary Action

(Continued from page 9)

Commission also found that Mr. Blackburn received a payment from the seller in the transaction which was not reflected on the closing statement. The Commission noted that Mr. Blackburn presented evidence tending to show that the loan was disclosed to both the mortgage broker and closing attorney, the buyers qualified for the loan, the loan was promptly repaid, and the payment to Mr. Blackburn was based upon his services in assisting the development and construction of the subdivision.

AARON JOSHUA BLACKWELDER (Harrisburg) – By Consent, the Commission suspended the broker license of Mr. Blackwelder for a period of one year effective May 11, 2007. Thirty days of the suspension were active with the remainder stayed for a probationary period of eleven months. The Commission found that Mr. Blackwelder was convicted of *Possession of Drug Paraphernalia* and *Driving While Impaired* and failed to timely report the possession convictions and to respond in a timely fashion to Commission inquiries about it. The Commission noted that Mr. Blackwelder properly disclosed the conviction for *Driving While Impaired*.

ELAINE F. BRIDGES (Cary) – By Consent, the Commission reprimanded Ms. Bridges effective July 1, 2007. The Commission found that Ms. Bridges, as listing agent for a new construction home, failed to disclose that an advertised four-bedroom home only had a three-bedroom septic permit and failed to disclose that a civil settlement required the builder to brick two additional sides of the exterior and that the impervious footprint of the property had been maximized.

GARLAND BURTON, JR. (Cary) – By Consent, the Commission suspended the broker license of Mr. Burton for a period of one year effective August 1, 2007. The Commission then stayed the suspension for a probationary period of 36 months under certain conditions. The Commission found that Mr. Burton failed to report on his original 1994 license application, crimi-

nal convictions in 1983 for injury to real property and 1984 for three counts of worthless check charges. The Commission noted that Mr. Burton, in his application for reinstatement of his expired broker license in February 2007, disclosed the criminal convictions as well as a conviction in 2006 for driving while impaired.

Licensees Must Report Convictions

Commission Rule A.0113 requires any licensee who is convicted of a misdemeanor or felony or who has disciplinary action taken against him or her by any occupational licensing board to file a report with the Real Estate Commission.

The reporting requirement includes convictions for driving while impaired (“DWI”). The report must be filed within sixty (60) days of the final judgment or board action.

If you have questions about this rule, please call the Commission’s Legal Services Division at 919-875-3700 for more information.

DONALD L. CANNON (Fayetteville) – By Consent, the Commission revoked the broker license of Mr. Cannon effective August 15, 2007. The Commission found that Mr. Cannon, acting as an “investment advisor,” induced certain clients to invest over \$100,000 in earnest money deposits and/or other investment funds in real estate ventures, promising significant returns. The Commission further found that Mr. Cannon did not maintain trust accounts or adequate records of the funds of others collected, deposited and commingled the funds in his or his wife’s personal bank accounts, did not invest the money in any real estate transaction as promised, and did not return or repay these funds. Mr. Cannon neither admitted nor denied the Commission’s findings.

EVA M. CHANDLER (Elizabeth City) – By Consent, the Commission reprimanded Ms. Chandler effective September 1, 2007. The Commission found that Ms. Chandler served as the buyer agent in a residential property transaction in which she represented to the buyers that the lot included all the maintained property to the street. The Commission also found that Ms. Chandler failed to provide the buyers before closing with a copy of a survey showing that the lot was substantially smaller than had been represented, or to disclose to the buyers the survey’s contents. The Commission noted that the buyers had to expend substantial effort and additional cash to secure the portion of the land that was not included in their property.

DANIEL J. COOK (Asheville) – By Consent, the Commission revoked the broker license of Mr. Cook effective June 1, 2007. The Commission found that Mr. Cook failed to report a criminal conviction and pending criminal charges on his application for a real estate license and was licensed in reliance upon his false statement. The Commission also found that Mr. Cook failed to disclose a subsequent conviction for *Driving While Impaired* within 60 days of the final judgment.

IRIS S. COOPER (Kill Devil Hills) – By consent, the Commission suspended the broker license of Ms. Cooper for a period of three years. Ten months of the suspension are active, with the remainder stayed for a probationary period of twenty-six months. The Commission found that Ms. Cooper was convicted of certain criminal offenses relating to driving and possession between 1998 and 2002. The Commission noted that Ms. Cooper reported the convictions in 2006 of her own volition.

SHANE E. CORBETT (Charlotte) – The Commission revoked the broker license of Mr. Corbett effective May 23, 2007. The Commission found that Mr. Corbett engaged in the criminal misconduct of assault on a female and was convicted for it and sentenced to a term of 150 days of imprisonment, of which 30 days were active, and

(See **Disciplinary Action**, page 11)

Disciplinary Action

(Continued from page 10)

the remainder stayed for 36 months of supervised probation.

BETTY A. CRAWFORD (Asheville) – The Commission accepted the voluntary surrender of the broker license of Ms. Crawford for a period of two years effective June 1, 2007. The Commission dismissed without prejudice allegations that Ms. Crawford violated provisions of the Real Estate License Law and Commission rules. Ms. Crawford neither admitted nor denied misconduct.

NORRIS G. DILLAHUNT (New Bern) – By Consent, the Commission suspended the broker license of Mr. Dillahunt for a period of 24 months. Three months of the suspension were active with the remainder stayed. The Commission found that Mr. Dillahunt was convicted of driving while intoxicated twice, and of numerous counts of writing worthless checks, and that he failed to report the worthless check offenses within 60 days as required by Commission rules.

ERVIN & ASSOCIATES (Fayetteville) – By Consent, the Commission reprimanded Ervin & Associates effective May 11, 2007. The Commission found that Ervin & Associates, a rental property management firm, failed to maintain records of all receipts and disbursements of the funds of others in such a manner as to create a clear audit trail. The Commission noted that Ervin & Associates subsequently implemented a new trust accounting software program to bring its records into compliance and that no consumer incurred any financial losses as a result of the firm's conduct.

ESM ASSOCIATES, LLC (Chapel Hill) – By Consent, the Commission reprimanded ESM Associates effective September 1, 2007. The Commission found that ESM Associates, which managed a commercial rental property and property owners association (POA) for a commercial condominium building, failed to maintain a trust account for a rental unit and failed to charge late fees to the tenant despite receiv-

ing eight late payments. The Commission also found that ESM Associates paid certain of the tenant's utility and waste management expenses from the POA funds, which the owner was then required to repay, and the POA account and the individual owners accounts were charged insufficient funds fees on a number of occasions because ESM allowed shortages to accrue in these accounts. The Commission noted that ESM Associates no longer performs property or POA management and no longer maintains trust monies.

KENNETH L. FRIEDMAN (Matthews) – By Consent, the Commission suspended the broker license of Mr. Friedman for a period of one year effective June 1, 2007. The Commission found that Mr. Friedman represented several buyers in transactions in which misrepresentations were made on the closing statement by the mortgage broker and others in the transactions and that Mr. Friedman failed to provide an accurate accounting to his clients for the receipts and disbursements connected with the closing. Mr. Friedman neither admitted nor denied the Commission's findings.

FRIENDLY CITY, LLC (Swansboro) – By Consent, the Commission revoked the firm license of Friendly City effective June 15, 2007. The Commission found that Friendly City, acting as a broker and rental agent for owners of residential rental properties, failed to reconcile its trust account records with its bank statements, transferred client monies from its trust accounts without authority, and had a shortfall in the trust account of \$25,000. The Commission noted that the missing monies were replaced.

MICHELLE L. GAILEY (Fayetteville) – By Consent, the Commission suspended the broker license of Ms. Gailey for a period of six months effective June 10, 2007. The Commission then stayed the suspension for a probationary period of six months. The Commission found that in 2004 and 2005, Ms. Gailey listed several land and manufactured home packages for a single seller for a flat fee, despite knowledge that the listing prices were inflated, and, in doing so, created a basis for artificially inflated appraisals and comps.

MARIAN L. GOETZINGER (Pine Knoll Shores) – By Consent, the Commission suspended the broker license of Ms. Goetzing for a period of two years effective July 1, 2007. The Commission then stayed the suspension. The Commission found that Ms. Goetzing, principal broker and broker-in-charge of a real estate brokerage firm, listed a property for \$220,000, which was purchased by an associate in the office for \$190,000 when the property appraised in its then current condition for \$255,000. The Commission noted that Ms. Goetzing made an offer to her seller clients calculated to compensate them for their perceived loss. Mr. Goetzing neither admitted nor denied the Commission's findings.

MATTIAS M. GOULD (Raleigh) – By Consent, the Commission reprimanded Mr. Gould effective August 1, 2007. The Commission found that Mr. Gould, developer of a townhouse project, failed to ensure that the listing agent for the townhouses disclosed to purchasers the existence of an encroachment by several townhouses on a required stream buffer. The Commission noted that Mr. Gould secured a variance for the encroachment.

(See **Disciplinary Action**, page 12)

TRUST ACCOUNT COMPLIANCE AUDITS YEAR ENDED 6/30/07

SALES TRUST ACCOUNTS	RENTAL TRUST ACCOUNTS
25% OF COMPANIES AUDITED DID NOT HAVE SATISFACTORY BANK RECONCILIATIONS	25% OF COMPANIES AUDITED DID NOT HAVE SATISFACTORY BANK RECONCILIATIONS
61% OF COMPANIES AUDITED DID NOT HAVE SATISFACTORY LEDGER RECONCILIATIONS	33% OF COMPANIES AUDITED DID NOT HAVE SATISFACTORY LEDGER RECONCILIATIONS

Disciplinary Action

(Continued from page 11)

ROGER G. HARLESS (Lenoir) – By Consent, the Commission suspended the broker license of Mr. Harless for a period of two years effective March 15, 2007. The Commission found that Mr. Harless, acting as an appraisal trainee, performed appraisals of two properties, which he overvalued in a manner inconsistent with the requirements of the Uniform Standards of Professional Appraisal Practice and he was disciplined by the North Carolina Appraisal Board.

HERNDON & HERNDON ENTERPRISES LLC (Raleigh) - By Consent, the Commission revoked the firm license of Herndon and Herndon effective September 1, 2007. The Commission found that Herndon and Herndon, a real estate brokerage firm, was unable to produce records of certain real estate transactions requested by the Commission during 2006 and 2007. Herndon & Herndon neither admitted nor denied the Commission's findings.

TISHA D. HERRING (Durham) – By Consent, the Commission suspended the broker license of Ms. Herring for a period of six months effective September 1, 2007. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Ms. Herring sold her personal residence and provided owner-financing to the buyer in the form of a second deed of trust and the financing was not disclosed to the buyer's lender or shown on the HUD closing statement.

BILLIE C. HOFFMAN (Mooresville) – By Consent, the Commission suspended the broker license of Ms. Hoffman for a period of two years effective March 15, 2007. The Commission found that Ms. Hoffman represented herself and her real estate brokerage firm as being affiliated with the Realty World franchise when she no longer had a right to do so. The Commission also found that Ms. Hoffman was enjoined by the Wake County District Court on October 12, 2005 from using the franchise name, but continued to do so, and was found in contempt in May, 2006, after which she ceased using the Realty World

name and paid the money judgment the court awarded to the franchisor. Finally, the Commission found that Ms. Hoffman failed to make a timely response to letters of inquiry from the Commission.

Receive Credit Where and When Credit is Due!

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.

You can avoid this problem by going online to the Commission website, www.ncrec.state.nc.us, to verify your CE credits.

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.

HOME AND SEEK INC. (Charlotte) - By Consent, the Commission revoked the firm license of Home and Seek effective September 6, 2007. The Commission found that Home and Seek, a real estate brokerage firm, failed to properly account for the funds of others held in trust, failed to maintain and retain records sufficient to identify the ownership of those funds, including separate ledgers for each transaction or property, and a general journal, and to maintain records in such a manner as to create a clear audit trail. The Commission also found that Home and Seek failed to make the trust account records available for inspection by an auditor for the Commission.

HOME FINDER REAL ESTATE, INC. (Fayetteville) – By Consent, the Commission revoked the firm license of Home Finder Real Estate effective August 15, 2007. The Commission found that Home Finder Real Estate, acting as an "investment advisor," induced certain clients to invest over \$100,000 in earnest money

deposits and/or other investment funds in real estate ventures, promising significant returns. The Commission found that Home Finder Real Estate did not maintain trust accounts or adequate records of the funds of others collected, commingled the funds, did not invest the money in any real estate transaction as promised, and did not return or repay these funds.

CLARK HUNTER (Southport) – By Consent, the Commission reprimanded Mr. Hunter effective October 1, 2007. The Commission found that Mr. Hunter, as on-site sales agent for a subdivision marketing new homes, represented that a pool and clubhouse would be constructed in the development and that neighboring apartments would be "high end", when, in fact, the amenities were not provided and the neighboring apartments were not as Mr. Hunter represented.

SAMUEL E. HUTCHENS (Pine Knoll Shores) - By Consent, the Commission suspended the broker license of Mr. Hutchens for a period of two years effective July 1, 2007. The Commission then stayed the suspension upon certain conditions. The Commission found that the Mr. Hutchens, an associate with a real estate brokerage firm, purchased for \$190,000 a property listed by the firm for \$220,000, when the property appraised in its current condition for \$255,000. The Commission noted that Mr. Hutchens made an offer to his seller clients calculated to compensate them for their perceived loss. Mr. Hutchens neither admitted nor denied the Commission's findings.

DAVID G. JACKSON (Fremont) – By Consent, the Commission revoked the broker license of Mr. Jackson effective September 1, 2007. The Commission found that Mr. Jackson failed to deposit, maintain and account for rents and security deposits belonging to clients and tenants in a trust account in accordance with Commission rules, and wrote trust account checks that were returned for insufficient funds.

JACKSON REALTY & ASSOCIATES (Goldsboro) – By Consent, the Commission revoked the firm license of Jackson Realty (See **Disciplinary Action**, page 13)

Disciplinary Action

(Continued from page 12)

& Associates effective September 1, 2007. The Commission found that Jackson Realty failed to deposit, maintain and account for rents and security deposits belonging to clients and tenants in a trust account in accordance with Commission rules, and wrote trust account checks that were returned for insufficient funds.

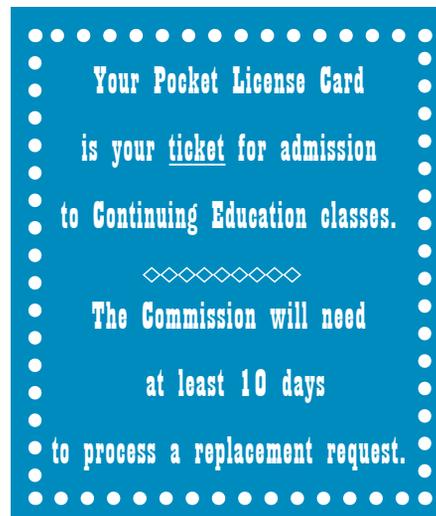
MELENAH JAMERSON (Sanford) – By Consent, the Commission suspended the broker license of Ms. Jamerson for a period of two years effective January 1, 2007. Nine months of the suspension were active with the remainder stayed for a probationary period of 15 months under certain conditions. The Commission found that Ms. Jamerson, acting as bookkeeper for a real estate brokerage firm, failed in certain cases to safeguard in a trust account rents, security deposits, earnest money deposits and other monies belonging to clients and customers. The Commission also found that Ms. Jamerson engaged in commingling and did not keep records that provided a clear audit trail identifying the owners of the funds held. The Commission noted that Ms. Jamerson took steps to bring the firm's trust account bookkeeping into compliance with Commission rules.

RONALD H. JOHNSON (Raleigh) – By Consent, the Commission suspended the broker license of Mr. Johnson for a period of 42 months effective January 1, 2007. Five months of the suspension were active with the remainder stayed for a probationary period of three years. The Commission found that in 2002 Mr. Johnson pled guilty to *Felonious Speeding to Elude Arrest*, *Felonious Possession to Sell Cocaine* (2 counts) and to *Driving While Impaired*.

PAMELA K. LARSON (Atlantic Beach) – The Commission accepted the voluntary surrender of the broker license of Ms. Larson for a period of one year effective August 1, 2007. The Commission dismissed without prejudice allegations that Ms. Larson violated provisions of the Real Estate License Law and Commission rules.

Ms. Larson neither admitted nor denied misconduct.

LAWTON PROPERTIES, Inc. (Durham) – By Consent, the Commission reprimanded Lawton Properties effective June 1, 2007. The Commission found that Lawton Properties rented a property it managed to a family member and failed to collect tenant security or pet deposits from the ten-



ants. The Commission also found that after the tenants vacated the property, it was discovered that the tenants' dogs damaged the property. The Commission noted that Lawton Properties paid the property owner the amount of the security deposit money it failed to collect and has offered to pay for the repair of a portion of the damages to the property.

ARTHUR L. LEZETTE (Durham) – By Consent, the Commission reprimanded Mr. Lezette effective June 1, 2007. The Commission found that Mr. Lezette, while broker-in-charge of a real estate brokerage firm, rented a property managed by the firm to a family member and failed to collect tenant security or pet deposits from the tenants. The Commission also found that after the tenants vacated the property, it was discovered that the tenants' dogs damaged the property. The Commission noted that Mr. Lezette paid the property owner the amount of the security deposit money he failed to collect and has offered to pay for the repair of a portion of the damages to the property.

BARBARA A. LEZETTE (Durham) – By Consent, the Commission suspended the broker license of Ms. Lezette for a period of one year effective June 1, 2007. One month of the suspension was active with the remainder stayed for a probationary period of one year. The Commission found that Ms. Lezette, as a broker associate of a real estate brokerage firm, rented a property it managed to a family member and failed to collect tenant security or pet deposits from the tenants. The Commission also found that after the tenants vacated the property, it was discovered that the tenants' dogs damaged the property. The Commission noted that Ms. Lezette paid the property owner the amount of the security deposit money she failed to collect and has offered to pay for the repair of a portion of the damages to the property.

ROBERT B. LOGAN (Goldsboro) – By Consent, the Commission suspended the broker license of Mr. Logan for 30 days effective October 1, 2007. The Commission then stayed the suspension for a probationary period of 30 days. The Commission found that Mr. Logan represented a property as being 2,276 square feet when, in fact, the property was 2,030 square feet, an overstatement in size of 12%; he failed to measure the square footage of the property as constructed and instead relied on an architect's pre-construction calculations.

STEPHEN J. MANTON (Chapel Hill) – By Consent, the Commission suspended the broker license of Mr. Manton for a period of two years effective September 1, 2007. Four months of the suspension are to be active with the remainder stayed for a probationary term of 20 months. The Commission found that Mr. Manton, who managed a commercial rental property and property owners association (POA) for a commercial condominium building, failed to maintain a trust account for a rental unit and failed to charge late fees to the tenant despite receiving eight late payments. The Commission also found that Mr. Manton paid certain of the tenant's utility and waste management expenses from the POA funds, which the owner was then required to repay, and the POA account and the indi- (See **Disciplinary Action**, page 14)

Disciplinary Action

(Continued from page 13)

vidual owners accounts were charged insufficient funds fees on a number of occasions because Mr. Manton allowed shortages to accrue in these accounts. The Commission noted that Mr. Manton no longer performs property or POA management and no longer maintains trust account monies.

BENNY R. MAYFIELD (Winston-Salem) – The Commission revoked the broker license of Mr. Mayfield effective August 16, 2007. The Commission found that Mr. Mayfield falsely entered another broker's name on contracts, falsely represented himself as a broker when not licensed as such, practiced real estate brokerage when unauthorized to do so and when not under the supervision of a broker-in-charge, failed to deliver copies of transaction documents to the firm of record, and used a licensed broker's name on contracts without the broker's knowledge in order to practice real estate services when unauthorized to do so.

TRESHHELL Y. MAYO (Raleigh) – By Consent, the Commission revoked the broker license of Ms. Mayo effective September 1, 2007. The Commission found that Ms. Mayo, qualifying broker and broker-in-charge of a real estate brokerage firm, was unable to produce records of certain real estate transactions requested by the Commission during 2006 and 2007. Ms. Mayo neither admitted nor denied the Commission's findings.

JULIA M. MCINTOSH (Cary) – By Consent, the Commission suspended the broker license of Ms. McIntosh for a period of one year effective September 1, 2007. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Ms. McIntosh, as broker-in-charge of a real estate brokerage firm, allowed a former licensee whose license had been revoked to sign settlement statements and other closing documents and endorse commission checks. The Commission also found that Ms. McIntosh accepted an earnest money deposit which was deposited in an account in the former licensee's name and not in a trust account as

required. The Commission noted that the transaction closed and the earnest money was correctly credited to the buyer.

ROBERT H. MELVILLE, JR. (Whiteville) – By Consent, the Commission suspended the broker license of Mr. Melville for a period of three months effective May 1. The Commission found that Mr. Melville, who was also licensed by the North Carolina State Bar as an attorney, closed a transaction in which the buyers purchased a home and lot and, in connection with the transaction, acted unintentionally in a manner that was improper on account of clerical error.

THERESE M. MOLONEY (Gastonia) – By Consent, the Commission reprimanded Ms. Moloney effective June 1, 2007. The Commission found that Ms. Moloney, in listing a foreclosure property for a lender which was identified to her by address, incorrectly assumed that two adjoining lots owned by the lender, rather than one of the lots, were to be offered for sale and thus prepared a broker price opinion based on the combined size of both lots, resulting in an inaccurate lot size being listed in the MLS.

ROSANNE MULLER ((Charlotte) – By Consent, the Commission suspended the broker license of Ms. Muller effective June 1, 2007. One month was active with the remainder stayed. The Commission found that Ms. Muller, who owned several rental properties with her then husband, closed the trust account they maintained for tenant security deposits when going through a divorce and transferred all funds to a different account. The Commission noted that the funds were awarded to Ms. Muller as part of the subsequent divorce settlement.

PINE KNOLL SHORES, LLC (Pine Knoll Shores) – By Consent, the Commission suspended the firm license of Pine Knoll Shores for a period of two years effective July 1, 2007. The Commission then stayed the suspension on certain conditions. The Commission found that the firm listed a property for \$220,000, which was purchased by an associate in the office for \$190,000 when the property appraised in its current condition for \$255,000. The

Commission noted that Pine Knoll Shores made an offer to its seller clients calculated to compensate them for their perceived loss. Pine Knoll Shores neither admitted nor denied the Commission's findings.

JOHN ROBERT POTTS (Highlands) – By Consent, the Commission revoked the broker license of Mr. Potts effective October 1, 2007. The Commission found that Mr. Potts was convicted in January 2006 of the felony offense of trafficking cocaine and was sentenced to 36-42 months in prison and required to pay costs, restitution and a \$50,000 fine.

JOHN R. RAMSPERGER (Sanford) – By Consent, the Commission suspended the broker license of Mr. Ramsperger for a period of two years effective January 1, 2007. Four months of the suspension were active with the remainder stayed for a probationary period of 20 months under certain conditions. The Commission found that Mr. Ramsperger, broker-in-charge of a real estate brokerage firm, failed in certain cases to safeguard in a trust account rents, security deposits, earnest money deposits and other monies belonging to clients and customers. The Commission also found that Mr. Ramsperger engaged in commingling and did not keep records that provided a clear audit trail identifying the owners of the funds held. The Commission noted that Mr. Ramsperger took steps to bring the firm's trust account bookkeeping into compliance with Commission rules.

KIMBERLY A. RUSS (Southport) – By Consent, the Commission suspended the broker license of Ms. Russ for a period of one year effective October 1, 2007. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Ms. Russ, acting as a dual agent for an Offer to Purchase Contract with a Contingent Sale Addendum that was fully executed in July 2005, received an acceptable offer from another buyer in December 2005 and failed to notify the first buyer in writing of the second offer as required under the Contingent Sale Addendum. The Commission also found that there was a dispute over whether Ms. (See **Disciplinary Action**, page 15)

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Russ ever notified the first buyer of the second offer. Even though the second offer was accepted, Ms. Russ thereafter went to the property with the first buyer to let the first buyer measure for curtains.

SANFORD REAL ESTATE, INC. (Sanford) – By Consent, the Commission suspended the firm license of Sanford Real Estate for a period of two years effective January 1, 2007. The Commission then stayed the suspension for a period of two years under certain conditions. The Commission found that Sanford Real Estate failed in certain cases to safeguard in a trust account rents, security deposits, earnest money deposits and other monies belonging to clients and customers. The Commission also found that Sanford Real Estate engaged in commingling and did not keep records that provided a clear audit trail identifying the owners of the funds held. The Commission noted that Sanford Real Estate took steps to bring the firm's trust account bookkeeping into compliance with Commission rules.

ROBERT A. SAXTON (Statesville) – By Consent, the Commission suspended the broker license of Mr. Saxton for a period of six months effective June 1, 2007. Thirty days were active with the remainder stayed for a probationary period of one year. The Commission found that Mr. Saxton entered into a contract to purchase a house for his personal residence; before the time established for closing, he occupied the house and used it as his residence without the seller's authority. The Commission also found that Mr. Saxton paid no rent and vacated the property after one month's occupancy and did not close his purchase transaction.

TIMOTHY P. SCAER (Newton) – By Consent, the Commission suspended the broker license of Mr. Scaer for a period of one year effective June 10, 2007. The Commission then stayed the suspension for a probationary period of one year. The Commission found that Mr. Scaer listed a property zoned "M-1" (limiting its use to manufacturing purposes), showed it to representatives of a church looking for a prop-

erty to build a new church, listed himself as a dual agent on their purchase contract without reviewing the Working With Real Estate Agents brochure with his buyers and without getting a signed dual agency agreement, and noted the "M-1" zoning classification on the purchase contract in the space for the buyer's intended use instead of specifying the actual intended use. The Commission found that the church discovered after closing that the property could not be used as the church intended.

TINA M. SCOTT (Longs, SC) – By Consent, the Commission suspended the broker license of Ms. Scott for a period of 12 months effective April 15, 2007. Fifty-six days of the suspension were active with the remainder stayed. The Commission found that Ms. Scott sold her personal residence and led the buyer to believe that no commercial pesticides had been used inside the house, when in fact pesticides had been used. The Commission also found that Ms. Scott was involved in a lawsuit with a neighboring property owner concerning a driveway encroachment and did not tell the buyer until the schedule closing.

SELLER'S ASSOCIATE, INC. (Fayetteville) – By Consent, the Commission reprimanded Seller's Associate effective June 10, 2007. The Commission found that in 2004 and 2005, Seller's Associate listed several land and manufactured home packages for a single seller for a flat fee, despite knowledge that the prices were inflated, and, in doing so, created a basis for artificially inflated appraisals and comps.

THERESA B. SHANNON (Greensboro) – The Commission accepted the voluntary surrender of the broker license of Ms. Shannon for a period of one year effective May 1, 2007. The Commission dismissed without prejudice allegations that Ms. Shannon violated provisions of the Real Estate Law and Commission rules. Ms. Shannon neither admitted nor denied misconduct.

ROBIN B. SHINN (Indian Trail) – By Consent, the Commission permanently revoked the broker license of Ms. Shinn effective May 11, 2007. The Commission found that Ms. Shinn participated in a se-

ries of transactions in which she arranged to purchase unsold "spec" houses at discount prices from the inventory of a homebuilder and then actually sold each house to a purchaser for a significantly higher price. The Commission further found that of the difference between the price of the contracts with the homebuilders and with the purchasers shown on the closing statement was paid to Ms. Shinn but shown on the closing statement as a payment for some fictitious service or debt. Ms. Shinn neither admitted nor denied the Commission's findings.

LYNDA J. SKIPPER (Matthews) – The Commission permanently revoked the broker license of Ms. Skipper effective June 18, 2007. The Commission found that Ms. Skipper failed to disclose on her 2002 broker license application convictions for driving while impaired in 1992 and 1994; engaged in and was convicted in 2004 of the criminal misconduct of driving while impaired and reckless driving; failed to disclose the 2004 conviction for driving while impaired within 60 days and failed to disclose at all the conviction of reckless driving; and failed to respond fully, fairly and timely to letters of inquiry from the Commission staff.

JOHN WAYNE SPIVEY (Sanford) – By Consent, the Commission suspended the broker license of Mr. Spivey for a period of two years effective October 1, 2007. Four months of the suspension are to be active with the remainder stayed for a probationary period of 20 months. The Commission found that Mr. Spivey, acting as a notary public, failed to verify the authenticity of the signatures on a deed wherein the grantor's signature had been forged, and failed to report the December 29, 2005 revocation of his notary public appointment.

SUNSHINE REAL ESTATE (Cary) – By Consent, the Commission reprimanded Sunshine Real Estate effective July 1, 2007. The Commission found that Sunshine Real Estate listed a newly constructed home as a three-bedroom home in the MLS, but advertised it elsewhere as having four bedrooms even though the home had only a three-bedroom septic permit. The Commission also found that the firm failed to
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disclose that the builder, a principal of the firm, was required by a civil settlement to add two additional sides of exterior brick and that the impervious footprint of the property had been maximized, barring the buyer from making any additions to the property.

DAVID V. THOMAS (Boone) – By Consent, the Commission reprimanded Mr. Thomas effective June 10, 2007. The Commission found that Mr. Thomas sold a condominium he owned to a purchaser and failed to disclose that the property had polybutylene (“PB”) pipes when there had been PB-pipe related leaks in the condominium community.

JANE E. TRUAX (Southport) – By Consent, the Commission reprimanded Ms. Truax effective October 1, 2007. The Commission found that Ms. Truax, as on-site sales agent for a subdivision marketing new homes, represented that certain amenities would be constructed in the development, and that neighboring apartments would be “high end”, when, in fact, the amenities were not provided and the neighboring apartments were not as she represented.

ROCQUE A. WAITES (Rutherfordton) – The Commission permanently revoked the license of Mr. Waites effective July 26, 2007. The Commission found that Mr. Waites received a \$1,000 earnest money check from buyers payable to the owner of a property while his license was on inactive status and he was therefore ineligible to engage in any brokerage activities, and endorsed and cashed the check as if it were his own without authority to do so. The Commission noted that Mr. Waites eventually repaid the money to the buyers.

WAYNE REALTY & INSURANCE CO. (Goldsboro) - By Consent, the Commission suspended the firm license of Wayne Realty & Insurance for 30 days effective October 1, 2007. The Commission then stayed the suspension for a probationary period of 30 days. The Commission found that Wayne Realty & Insurance represented

a property as being 2,276 square feet when, in fact, the property was 2,030 square feet, an overstatement in size of 12%; and failed to measure the square footage of the property as constructed and instead relied on an architect’s pre-construction calculations.

FRANKIE L. WHITE (Charlotte) – By Consent, the Commission revoked the broker license of Mr. White effective September 6, 2007. The Commission found that Mr. White, qualifying broker and broker-in-charge of a real estate brokerage firm, failed to properly account for the funds of others held in trust, failed to maintain and retain records sufficient to identify the ownership of those funds, including separate ledgers for each transaction or property, and a general journal, and to maintain records in such a manner as to create a clear audit trail. The Commission also found that Mr. White failed to make his trust account records available for inspection by an auditor for the Commission.

DEBORAH J. WILSON (Wilmington) - The Commission accepted the voluntary surrender of the broker license of Ms. Wilson for a period of one year effective June 1, 2007. The Commission dismissed without prejudice allegations that Ms. Wilson violated provisions of the Real Estate License Law and the Commission rules.

Ms. Wilson neither admitted nor denied misconduct.

ERIC AIGUO YOUNG (Raleigh) – By Consent, the Commission reprimanded Mr. Young effective June 10, 2007. The Commission found that Mr. Young, acting as the listing agent for the property, prepared an offer to purchase the property himself after a prior offer had expired. The Commission further found that when an offer from a third prospective purchaser was received, Mr. Young used that offer to better his own; Mr. Young’s offer which was accepted by the seller and neither of the other potential purchasers was given the opportunity to improve their offers.

HANNAH SUN YOUNG (Raleigh) - By Consent, the Commission reprimanded Ms. Young effective June 10, 2007. The Commission found that Ms. Young, a broker with the listing firm for the property, prepared an offer to purchase the property herself after a prior offer had expired. The Commission further found that when an offer from a third prospective purchaser was received, Ms. Young used that offer to better her own; Ms. Young’s offer was accepted by the seller and neither of the other potential purchasers was given the opportunity to improve their offers.

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