

**COR 1653 CORE A
AGENCY/LICENSE LAW/ESCROW
HOMESTUDY**

Regulatory Agency

After being under a number of Departments in the Illinois Government, we are now regulated by the Illinois Department of Financial and Professional Regulation (IDFPR).

Agency - Legislative Intent

Because of some lawsuits in the beginning of the 1990's, the National Association of REALTORS® recommended that each state go to their state Legislatures and write laws for real estate that would move the practice of real estate away from Common Law of Agency. Illinois did that and in **1995 we started practicing something called Designated Agency.**

With that change, agency relationships moved away from being vested in the Broker of the office to being vested in the individual agent who was named the Designated Agent. This changed how Dual Agency was created.

In the past, dual agency was created when the real estate broker's office represented both the buyer client and the seller client in a transaction, even if two agents in the office were involved in the transaction. Today, because agency is vested in the individual agent as a Designated Agent, dual agency is only created when that individual agent represents both parties in the transaction.

Designated Agency

The individual agent, who is working with the consumer, is presumed to be the designated agent for that consumer, unless:

There is a written agreement to the contrary or the agent is performing Ministerial Acts. We will discuss Ministerial Acts later.

Statutory Duties

As we no longer practiced Common Law of Agency, we had to redefine our responsibilities to the client. Our fiduciary duties, under Common Law of Agency: care, obedience, accounting, loyalty, and notice had to be redefined within the law (or statute).

Our statutory duties are now defined within the law (statute):

- Perform per the agreement
- Seek price and terms acceptable to client
- Present all offers in a timely manner
- **Promote client's best interest over your own**
- Exercise reasonable skill and care
- **Keep client information confidential (forever)**
- Obey license law, fair housing, etc.

Licensee's Relationship with Customers:

- Treat all honestly
- Disclose all latent material adverse facts pertaining to physical condition of the property actually known to licensee
- Perform Ministerial Acts (discussed later in this course)

At Termination

We must account for all monies that has come into our hands when the transaction is terminated.

Agency Relationship Disclosures

No later than entering into a brokerage agreement, you must disclose IN WRITING:

- **Designated agency relationship.**
- **Name of the designated agent**

Generally, these disclosures are made to sellers as a part of the listing agreement. However, the disclosures often do not get made to the buyer, when the agent is working with the buyer as a non-exclusive agent. These WRITTEN disclosures should be made to the buyer at the earliest possible time.

- Cooperating broker compensation

The law requires that the client be informed of the agent's company's policy about compensating cooperating brokers. This is often done in the listing agreement in a paragraph stating that the company places their listings into a multiple-listing service (MLS) and an offer of cooperation is made to a cooperating brokerage firm who is a member of the MLS.

Note for REALTORS®: The REALTORS® Code of Ethics requires that the client be told how much money is being offered to the cooperating brokerage firm, and not just the company's policy about compensating cooperating brokerage firms.

- Ministerial Acts

If an agent does not wish to act as the agent for the consumer, that notice has to be made, IN WRITING, to the consumer before the consumer is allowed to share any confidential information. An example of this would be when the agent already represents one of the parties in a transaction and has not been given permission to act as a dual agent, but wants to provide some services to the other party to a transaction. The other party could be treated under Ministerial Acts and would become the customer of the agent, rather than another client.

Compensation v. Agency

The Illinois License Law specifically says that compensation does not determine agency. In other words, as the buyer's agent you could accept compensation from the seller without becoming the seller's agent.

Dual Agency

In Illinois, a dual agent is an individual licensee who represents both parties to the transaction. In order to be a dual agent, the licensee must obtain:

- WRITTEN informed consent from both parties. The License Law provides the language that is recognized in the state as informed consent.
- This consent must be obtained prior to actually acting as a dual agent.

Dual Agency – Do's

- **Treat all parties honestly**
- Provide information about the property
- Disclose material defects
- Disclose financial qualifications
- Explain real estate terms
- Arrange for property inspections
- Explain closing costs and procedures
- Help buyer compare financing alternatives
- Provide information about comparable properties to both clients (Don't forget that when providing this information, you are REPRESENT both parties. You should not give any commentary about the numbers but just provide the information to them.)

Dual Agency – Don'ts

- Disclose confidential information
- Price the seller will be willing to accept (other than full price or better)
- Price the buyer will pay (other than what has been offered)
- Recommend a price that the buyer should offer
- Recommend a price that the seller should counter or accept

Client Withdrawal from Dual Agency

There will be times when the agent's inability to advocate for one of the clients in a dual agency situation can become frustrating for a client. The client may ask to withdraw from the agreement for the agent to act as a dual agent. The dual agent may, however, refer the withdrawing client to another agent in his/her office, in anticipation of a referral fee. This is perfectly fine. However, the dual agent must give WRITTEN notice to ALL PARTIES that he/she still has an economic interest in the two parties coming to agreement.

The dual agent is not required to obtain the clients' permission, or tell them how much the referral fee will be; the written disclosure is only informational.

Designated Agency – Broker

- Broker is not a dual agent when two agents in his firm participate in an in-house sale.
- The broker may give advice to his agents and must keep confidential the client information that he may hear.
- Protect confidential information (this may mean restricting access to office fax machines and in-coming faxes; providing locked file cabinets for transaction folder, etc.)
- **Exclusive Agreement**
 - Must be written
 - **Must contain agreement to negotiate on behalf of client**

Minimum Services

- Accept delivery of offers/counter offers on behalf of client
- Assist in developing, communicating, negotiating offer, counter offers
- Answer client questions relating to offers, counter offers, notices and contingencies

Definitions

Agency means a relationship in which a real estate broker or licensee, whether directly or through an affiliated licensee, represents a consumer by the consumer's consent, whether express or implied, in a real property transaction.

Broker means an individual, partnership, limited liability company, corporation, or registered limited liability partnership other than a real estate salesperson or leasing agent who for another and for compensation, or with the intention or expectation of receiving compensation, either directly or indirectly:

- (1) Sells, exchanges, purchase, rent, or lease real estate.
- (2) Offers to sell, exchange, purchase, rent, or lease real estate.
- (3) Negotiates, offers, attempts, or agrees to negotiate the sale, exchange, purchase, rental, or leasing of real estate.
- (4) Lists, offers, attempt, or agree to list real estate for sale, lease, or exchange.
- (5) Buys, sells, offer to buy or sell, or otherwise deals in options on real estate or improvements thereon.
- (6) Supervises the collection, offer, attempt, or agreement to collect rent for the use of real estate.

- (7) Advertises or represents himself or herself as being engaged in the business of buying, selling, exchanging, renting, or leasing real estate.
- (8) Assists or directs in procuring or referring of prospects, intended to result in the sale, exchange, lease, or rental of real estate.
- (9) Assists or directs in the negotiation of any transaction intended to result in the sale, exchange, lease, or rental of real estate.
- (10) Opens real estate to the public for marketing purposes.
- (11) Sells, leases, or offers for sale or lease real estate at auction.

Compensation means the valuable consideration given by one person or entity to another person or entity in exchange for the performance of some activity or service. Compensation shall include the transfer of valuable consideration, including without limitation the following:

- Commissions;
- referral fees**;
- bonuses;
- prizes;
- merchandise;
- finder fees;
- performance of services;
- coupons or gift certificates;
- discounts;
- rebates;
- Chance to win a raffle, drawing, lottery, or similar game of chance not prohibited by any other law or statute;
- retainer fee; or
- salary.

Confidential information means information obtained by a licensee from a client during the term of a brokerage agreement that: (i) was made confidential by the written request or written instruction of the client, (ii) deals with the negotiating position of the client, or (iii) is information the disclosure of which could materially harm the negotiating position of the client, unless at any time: (1) the client permits the disclosure of information given by that client by word or conduct; (2) the disclosure is required by law; or (3) the information becomes public from a source other than the licensee.

Confidential information shall not be considered to include material information about the physical condition of the property.

Confidential information survives the closing.

Customer means a consumer who is not being represented by the licensee but for whom the licensee is performing ministerial acts.

Dual agency means an agency relationship in which a licensee is representing both buyer and seller or both landlord and tenant in the same transaction. When the agency relationship is a designated agency, the question of whether there is a dual agency shall be **determined by the agency relationships of the designated agent of the parties and not of the sponsoring broker.**

Escrow moneys means all moneys, promissory notes or any other type or manner of legal tender or financial consideration deposited with any person for the benefit of the parties to the transaction. A transaction exists once an agreement has been reached and an accepted real estate contract signed or lease agreed to by the parties. Escrow moneys includes without limitation earnest moneys and security deposits, except those security deposits in which the person holding the security deposit is also the sole owner of the property being leased and for which the security deposit is being held.

Managing broker means a **broker who has supervisory responsibilities for licensees in one or, in the case of a multi-office company, more than one office**, and who has been appointed as such by the sponsoring broker.

Ministerial acts means those acts that a licensee may perform for a consumer that are informative or clerical in nature and do not rise to the level of active representation on behalf of a consumer. Examples of these acts include without limitation (i) responding to phone inquiries by consumers as to the availability and pricing of brokerage services, (ii) responding to phone inquiries from a consumer concerning the price or location of property, (iii) attending an open house and responding to questions about the property from a consumer, (iv) setting an appointment to view property, (v) responding to questions of consumers walking into a licensee's office concerning brokerage services offered or particular properties, (vi) accompanying an appraiser, inspector, contractor, or similar third party on a visit to a property, (vii) describing a property or the property's condition in response to a consumer's inquiry, (viii) completing business or factual information for a consumer on an offer or contract to purchase on behalf of a client, (ix) showing a client through a property being sold by an owner on his or her own behalf, or (x) referral to another broker or service provider.

Office means a real estate broker's place of business where the general public is invited to transact business and where records may be maintained and licenses displayed, whether or not it is the broker's principal place of business.

Sponsoring Broker-Employment Agreement

- **One sponsoring broker** – licensees may only have one sponsoring broker and may not perform ANY services for any broker other than their own sponsoring broker.

- Written employment agreement with each licensee sponsored (including licensed personal assistants);
 - Supervision
 - Duties
 - Compensation
 - Termination

Sponsoring Broker-Employment Agreement with Licensee's Corporation
Sponsoring broker may pay directly to a corporation solely owned by that licensee that has been formed for the purpose of receiving compensation earned by the licensee. (A licensee may establish their own corporation in order to receive compensation from their sponsoring broker. Their Employment Agreement with the sponsoring broker should be changed to reflect that payments are now to be made into the corporation).

Corporation does not need to be licensed as long as sole shareholder is licensed.

DISCIPLINARY ACTIONS

It is against the law to:

- **Operate a real estate office within a retail establishment unless it is separate and apart from the real estate office.**
- Make substantial misrepresentations
- Be untruthful in advertising
- Make false promises
- Use an organization's name falsely (for instance, don't use the term REALTOR® unless you are a member of the National Association of REALTOR®. **(Not everyone who holds a real estate license is a REALTOR®).**)
- Become a dual agent without written permission of both parties.
- Represent another sponsoring broker (remember, you can only have one sponsoring broker).
- Fail to furnish copies to the client
- Fail to provide information requested by the IDFPR
- Engage in dishonorable conduct
- Evade law by paying a non-licensed person
- **Permit use of broker's license to enable to salesperson or unlicensed person to operate a real estate business, without actual participation and control of the broker.**
- **Display signs or advertising without the property owner's written permission.**
- Fail to provide information requested by the IDFPR within 30 days of request in response to an audit or a complaint.
- Use blind ads (ad does not indicate a real estate person is behind the ad).

- Broker or salesperson may represent him/herself as a *by owner*, only if they can pass the SOLE OWNER test:
 - Owns property alone
 - Owns property as a joint tenant
 - Owns property with a spouse as tenant by entity
 - Owns 100% beneficial interest in a trust

If sole owner test passed, the licensee must say, “broker owned or agent owned” in all advertisements and on all signs, if the licensee plans to market the property as a For Sale by Owner.

- Offer guaranteed sales plans, with disregard for the law:
 - Must have a written plan
 - Must provide proof of financial resources
 - Must market the property
 - **Subject to \$25,000 fine for not obeying the law**
- Discourage racially integrated housing
- **Violate Article 3 of the Illinois Human Rights Act** and discriminate against:
 - Age over 40 years of age
 - Ancestry
 - Marital status
 - Military status
 - Handicap
 - Less than honorable military discharge
 - Sexual orientation
- Interfere with an existing contract
- Negotiate with another licensee’s exclusive client without permission from the other licensee
- **Represent a client as both a licensee and an attorney**
- **Offering items as giveaways, free of charge, when there is a catch to the offer (i.e. buy or sell through your office).**

Recent Changes to License Law

- Minimum Services – Exclusive Agreements
 - Agreement must be in writing
 - **Must agree to advise and negotiate on client’s behalf**
- Grandfathering removed for Continuing Education – no one is exempt now except attorneys, those on active duty in the military, and Legislators
- Broker Management Course Required – a six-hour course has been added for brokers – total CE requirements 18 hours for brokers.

- Broker may reduce license to salesperson license if the broker does not wish to take the Broker Management Course. However, in order to become a broker again, the licensee would have to retake all pre-licenses courses and sit for the state broker examination.

PART THREE - ESCROW

Escrow Accounts – separate and apart from sponsoring broker’s personal or other business accounts.

- Monies
- Promissory notes
- Legal tender
- Property management agreements
 - Written agreements
 - Rent monies
 - Contract for deed funds

If funds are to be directly transmitted to the client property owner, you do not have to place those fund into an escrow account).

 - Security deposit shall be maintained in an escrow account for the duration of the lease, unless the tenant waives this requirement in writing. If the waiver is in the lease, must be **BOLD** print.
- Non-interest bearing account, requests for payment of interest should be in writing, signed by the parties, specifying to whom the interest should be paid.
- Sponsoring broker may have more than one escrow account
- ***No escrow account is required if sponsoring broker does not intend to hold the funds of others.***
- Accounts must be federally insured.
- Broker may put his own funds into the escrow account to pay bank charges.
- All depositors should receive a receipt (copy retained in the office)
- **Funds should be deposited by the next business day following the transaction.**
- Notifications:

- Failure of principal to deposit required funds
 - Deficiency in the amount of the deposit
- Funds must maintained in the escrow account until:
 - Consummation
 - No later than next business day
 - Commission/fees earned removed no later than the next business day
 - Termination
 - **Written direction from the principals to the transaction, or *their duly authorized agents*, or pursuant to contract instructions.**
- Disputes
 - Need written release from all parties
 - Civil action – payment to the court
 - Interpleader (court action)
 - Turned over to the State Treasurer as unclaimed property
- Escrow Account Records
 - Journal (record of all funds coming into and going out of the account)
 - Ledger (for each client for whom funds being held)
 - Monthly reconciliation
 - Master escrow account log (recording of all escrow accounts opened by the sponsoring broker)
 - Copies of funds received disbursements or transfers.
 - Maintain records for 5 years.
- Branch offices- if no escrow account, funds to main office next business day.
- Consent to Audit Form
 - Name of bank

- Name of account
 - Persons authorized to withdraw funds
 - Within 10 days of change notify IDFPR
- Escrow Accounts – following actions could cause sponsoring broker’s license to be disciplined:
 - Failure to account for or to remit any moneys or documents coming into his or her possession that belong to others.
 - Failure to maintain and deposit in a special account, separate and apart from personal and other business account, all moneys belonging to others.
 - Failure to have written direction of principals or their duly authorized agents, or be provided within a written contract, or by court order.
 - Failure to make records available to IDFPR within 24 hours of request.
 - **Commingling the money or property of others with his/ her own.**
 - Requiring a party to a transaction, who is not a client of the licensee, to allow the licensee to retain a portion of the escrow money for payment of the licensee’s commission or expenses as a condition of release of the escrow money to that party.

ESCROW ACCOUNT DISCIPLINES

Julie Capps, January 22,2003

The real estate broker license was reprimanded and a \$300 fine was assessed for failing to tender an earnest money check to her managing broker in a timely manner and for practicing real estate for two months while her license was non-renewed.

Victor M. Castro, January 22, 2003

the real estate broker license was reprimanded for failure to disburse earnest money after receiving written direction from all parties to the transaction and for failure to account for and remit escrow money. Respondent was also required to return the escrow money and send proof of return to the Office of Banks and Real Estate.

Warren E. Wengstrom June 18, 2003

The Petition for Restoration of real estate broker license was denied. However, the agency allowed Mr. Wengstrom to be eligible for the issuance of a

salesperson license subject to evidence of completion of all required pre-license education and has passed the required test. The licensee will be prohibited from being involved in any of the escrow activities of his sponsoring broker while salesperson, and that he shall not be eligible to file an application for a broker license for a minimum period of five (5) years. The underlying misconduct consisted of two incidents where Mr. Wengstrom failed to make the proper disclosures and failed to timely account for earnest money in transactions in which he was the seller.

Ace Realtors, Inc - 12/19/02 - The real estate broker corporation license was revoked for failing to timely deposit earnest money, disbursing earnest money without written authorization, disbursing earnest money to Ace Realtors (Prus's broker corporation), failing to maintain proper escrow records and failing to timely produce records upon the Office of Banks and Real Estate's written request.

Cheryl Alcorn (Taylor) - 11/21/02 - The real estate salesperson license was placed on probation for a period of 18 months for failure to account for money coming into her possession that belonged to another, for failure to disclose compensation in writing, and for failure to notify the Office of Banks and Real Estate of a name change. During the probation respondent shall adhere to the following conditions: respondent shall ensure that her managing/sponsoring broker submit quarterly reports detailing respondent's level of real estate activity and respondent shall be prohibited from becoming licensed as a real estate broker. Respondent is required to successfully complete, in the classroom, a 15-hour pre-license Advanced Principles 2000 course on or before December 9, 2002 and in addition, a fine of \$2,000 was assessed.

Robert H. Avellini - 11/6/02 - The Real Estate Broker license was suspended for a period of 30 days for the following: failure to disclose in writing respondent's status as a licensee to all parties to a lease; failure to deposit the security deposit in his sponsoring broker's escrow account; failure to return a security deposit in a timely manner; and failure to make certain documents available to the Office of Banks and Real Estate after verbal and written requests were made. In addition, Respondent was assessed a fine of \$500 and required to complete Core A: License Law and Core B: Agency within 90 days of the Order.

Carmen M. Chavers - 1/15/02 - The Real Estate Broker license was placed on probation for a period of three (3) years and a fine of \$500.00 was assessed for failure to tender earnest monies to the sponsoring broker so that it would be deposited in a special account. During the probation, the broker shall be prohibited from holding escrow funds and shall be prohibited from being self-sponsored.

Marlene Davis - 2/15/02 - The Real Estate Broker license was revoked for disbursing escrow money without written authorization from all principals, failing to produce escrow records, and failing to maintain escrow records.

Mae Evans - 4/18/02 - The Real Estate Broker license and the Real Estate Salesperson license (the salesperson license was issued to Mae Evans while her broker license was suspended per a Consent Order effective September 23, 1997) were both revoked for a minimum period of ten (10) years based upon new allegations that she commingled escrow money, failed to account for escrow money, converted escrow money, failed to disburse the escrow money according to the written instructions of the principals upon termination of the transaction, failed to obtain written dual agency authorization, and violated the provisions of the above Consent Order. In addition, the Petition for Restoration filed by Mae Evans seeking restoration of her broker license was denied.

Michael Fedynich, Westgate Realty, Inc. (main office) and Westgate Realty, Inc. (branch office) - 4/1002 - The Real Estate Broker license of Michael Fedynich was indefinitely suspended for a minimum period of four years, the Real Estate Broker Corporation license (main office) was indefinitely suspended for a minimum period of four years, and the Real Estate Broker Corporation license (branch office) was indefinitely suspended for a minimum period of four years based upon allegations that Mr. Fedynich: (i) failed to disclose to a prospective buyer that he (Mr. Fedynich) was the seller of certain property, (ii) failed to provide the prospective buyer with a copy of the executed real estate sales contract in a timely manner, (iii) misrepresented that the seller would pay the prospective buyer's closing costs, (iv) failed to account for the prospective buyer's \$2,000 earnest money which, pursuant to the contract, was to be held by Westgate Realty, Inc., (v) failed to maintain any escrow records regarding the prospective buyer's earnest money, and (vi) otherwise engaged in unprofessional conduct.

Tem Horwitz and Horwitz & Company, Inc. - 11/25/02 - The Real Estate Broker license of Tem Horwitz was suspended for 30 days, and the Real Estate Broker Corporation license of Horwitz & Company, Inc. was suspended for 30 days, and Tem Horwitz and Horwitz & Company, Inc. were assessed a joint and several fine of \$5,000, for (i) serving as an escrow agent on a transaction and authorizing the release of the earnest money without the written direction from the buyers and for (ii) failing to disclose their status as real estate licensees in a transaction in which they were signatories to the contract.

Donna Jackson - 6/21/02 - The Real Estate Broker license was reprimanded and a \$1,500 fine was assessed based upon allegations which included failure to provide written notice to all principals that a buyer's earnest money check was not signed by the buyer or cleared by the bank.

Maurice L. Nelson - 11/21/02 - The real estate broker license was suspended for a period of 30 days and immediately following the suspension was placed on probation for a period of two (2) years for, among other things, the following: 1) aiding and abetting the un-licensed practice of his corporation; 2) failure to supervise one of his licensees, particularly with respect to receipt of earnest money and failure to deposit earnest money in a timely manner; 3) commingling by depositing escrow money into a personal account; 4) failure to maintain

proper escrow records; and (5) failure to produce records to the Office of Banks and Real Estate. During the probation period, respondent shall adhere to the following conditions: respondent shall be prohibited from acting as a managing broker; shall submit all written office policies to the Office of Banks and Real Estate particularly relating to receipt of escrow money and/or possession escrow; respondent shall ensure that his managing/sponsoring broker submits quarterly reports detailing respondent's level of real estate activity; and, should respondent become self-sponsored during the period of probation, he shall be prohibited from holding escrow money and sponsoring any licensees. Respondent is also required to successfully complete, in the classroom, a 15-hour pre-license Advanced Principles 2000 and Broker Administration course on or before December 9, 2002.

Ramon Oribello - 11/21/02 - The real estate salesperson license of Ramon Oribello was reprimanded and additional education was required for failing to properly handle a possession escrow check tendered to Mr. Oribello at a closing as a designated seller's agent.

Louis Prus - 12/19/02 - The real estate broker license was suspended for 90 days, during which time the broker shall successfully complete Broker Administration for failing to timely deposit earnest money, disbursing earnest money without written authorization, disbursing earnest money to Ace Realtor (Prus's broker corporation), failing to account for or pay interest to the buyer although the contract called for the funds to be placed in an interest bearing account, failing to maintain proper escrow records and failing to timely produce records upon the Office of Banks and Real Estate's written request.

Jose Rodriguez, Tomas Sasco, Nadia Ltd, Nadia Ltd. - 5/22/02 -The Real Estate Broker license of Jose Rodriguez was reprimanded; the Real Estate Broker license of Tomas Sasco was placed on probation for one (1) year with the condition that he complete the Advanced Principles 2000 course within 60 days and Mr. Sasco was fine \$1,000; the real estate broker corporation main office license of Nadia Ltd. was placed on probation for one year with the condition that its managing broker (Tomas Sasco) tender a written office policy on escrow and further tender bi-monthly reports during the probation period regarding the escrow activities of the office; and the real estate broker corporation branch office license of Nadia Ltd. was placed on probation for one (1) year with the condition that its managing broker (Jose Rodriguez) tender a written office policy on escrow and further tender bi-monthly reports during the probation period regarding the escrow activities, based upon allegations that these licensees failed to properly account for a possession escrow deposit on a specific transaction and failed to maintain the required escrow records in both the main and branch office.

William M. Senne - 07/19/02 - The Real Estate Broker license was reprimanded and a \$500 was assessed for failure to exercise supervision over a transaction generated by his licensee and failure to ensure that escrow records were kept in

accordance with the Rules, which resulted in earnest money not being timely deposited.

Dempsey J. Travis - 11/21/02- The real estate broker license was reprimanded and the continuing education exemption was revoked for his failure to disburse earnest money after receiving written direction to release the funds. Respondent is also required to successfully complete the pre-license broker courses, Broker Administration and Advanced Principles 2000, within 90 days from the date of the Consent Order.

Mark D. Haines - 4/18/02 - The Real Estate Broker license was placed on probation for two (2) years and a \$2,500 fine was assessed for failure to release earnest money according to the written instructions of the principals.

Coldwell Banker Residential Real Estate Inc. - 5/21/02 -The Real Estate Broker Corporation license was reprimanded and a \$1,000 fine was assessed for failure to supervise and ensure compliance with the escrow account provisions of the Act and for failure to timely provide documents requested by the Office of Banks and Real Estate.

Frank Vivaqua - 5/21/02 - The Real Estate Salesperson license was reprimanded, the grandfather clause exempting respondent from continuing education was revoked and respondent was required to complete six (6) of the continuing education hours for the 2003 renewal period before June 30, 2002, for failure to account for and remit funds belonging to another and accepting compensation from someone other than his sponsoring broker.

Carl Branch - 4/16/02 - The Real Estate Salesperson license was revoked for failing to account for money that came into his possession that belonged to others; engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public; making an alteration to a signed real estate sales contract without the written consent or direction from all signatories; and engaging in the practice of real estate on a non-renewed license.

Linda Conde - 1/30/02 - The Real Estate Broker license was placed on probation for a period of 18 months and extra continuing education was required for failure to maintain escrow records, failure to account for funds belonging to others and failure to produce escrow related documents to OBRE upon request. During the probation, the broker shall be prohibited from holding escrow funds and shall report to OBRE any offer, any sale of property or transfer of interest in property in which the Ms. Conde is an owner.

John Morissette - 5/2/02 - The Real Estate Salesperson license was suspended for a definite period of 30 days and an additional 15 hours of education was required for representing that he was the seller of property he did not own, failing to disclose his licensee status of the real estate contract, and failing to properly maintain or account for a buyer's earnest money.

The Partners Real Estate, Inc. - 5/21/02 - The Real Estate Broker Corporation license was reprimanded and a \$1,000 fine was assessed for failure to supervise and follow proper escrow procedures and for failing to properly license one of its branch offices.

Information secured from OBRE Disciplines 2002-2003