NORTH CAROLINA REAL ESTATE COMMISSION

Q. What is the Real Estate Commission?
A. The North Carolina Real Estate Commission ("Commission") is an independent state *government agency*. The Commission's primary function is to license and regulate North Carolina's real estate brokers (persons and firms who sell, lease, etc. real estate for others).

The Commission also registers and regulates sales activities at time share projects, where ownership in a single living unit (usually a resort condominium) is shared by many persons, and regulates brokers who act as time share agents.

In addition, the Commission disseminates information of interest to brokers and consumers about residential and commercial real estate transactions, including sales and rental management.

The Commission should not be confused with the North Carolina Association of REALTORS® (including its local boards and associations), a private *trade organization* whose members are known as "REALTORS®."

Q. Can the Real Estate Commission give consumers legal advice or help them settle disputes with real estate brokers?
A. No. The Commission cannot enforce contracts or require real estate brokers to fulfill promises, reimburse money, or perform other acts. Persons who feel that money is owed to them in a real estate transaction or that a sales contract, lease, or other real estate contract has been breached should consult their private attorney for advice and assistance.

Q. What types of consumer complaints should be reported to the Real Estate Commission?
A. Buyers, sellers, landlords, tenants and other persons involved in real estate transactions who believe that they have been defrauded or victimized by the improper or incompetent acts of a real estate broker or a person acting as a real estate broker should report their complaints to the Commission's Regulatory Affairs Division.

Q. What happens when a complaint is filed with the Real Estate Commission?
A. **(1)** Persons who wish to file complaints against real estate brokers (including those associated with time share projects) should first obtain a "Complaint Form" from the Commission's Web site at *www.ncrec.gov* or from the Commission office. (Use of this form enables the Commission staff to more efficiently conduct its inquiry into the more than 1,000 complaints received each year.)

(2) Complaints are reviewed by the Commission's regulatory staff and, if appropriate, an investigation or other inquiry is conducted.

(3) If, following an investigation or other inquiry, it is determined that there appears to be sufficient proof ("probable cause") that the broker has violated the Real Estate License Law or the Commission's rules, a hearing is ordered. [Note: The Commission's hearings are conducted in accordance with the Administrative Procedures Act, NCGS Chapter 150B.] During the hearing, the Commission receives the sworn testimony of witnesses and affords the broker the opportunity to answer the charges and present evidence in his or her defense. The broker may be represented by an attorney, and a staff attorney represents the State.

(4) If, based upon the evidence, the Commission finds that the broker has violated the Real Estate License Law or Commission rules, it can either (a) *reprimand* the broker; (b) *suspend* the broker's real estate license for a definite period of time; (c) *revoke* the broker's license; or (d) in the case of time share transactions, *fine* the time share project's developer. [Note: Decisions of the Commission may be appealed by licensees through the court system.]

Q. Can the Real Estate Commission assist persons whose funds have been fraudulently taken by a real estate broker?
A. Persons who give down payments, earnest money deposits and other trust monies to licensed real estate brokers to be held pending the completion of real estate transactions, and whose funds are converted or embezzled by the broker, may, *under certain specific conditions,* receive compensation from the *Real Estate Recovery and Education Fund* which is maintained by the Commission.

REAL ESTATE COMMISSION EDUCATIONAL PROGRAMS/PUBLICATIONS

- ***North Carolina Real Estate Manual.*** Reference book for real estate practitioners and broker course students. Available in print, CD-ROM or as a Web site subscription.
- ***Residential Square Footage Guidelines.*** How to measure, calculate and report the living area of residential buildings.
- ***Real Estate Licensing in North Carolina.*** Free booklet containing information on real estate licensing and the License Application form.
- ***North Carolina Real Estate License Law and Commission Rules.*** Contains the Real Estate License Law, Commission rules, Trust Account Guidelines and License Law and Rule Comments.
- Question and Answer brochures addressing topics affecting real estate brokers and consumers: (English and Spanish versions) ***Tenant Security Deposits, Fair Housing, Renting Residential Real Estate***; (English only) ***Condos and Townhouses, Home Inspections, Purchasing Coastal Real Estate in North Carolina, Residential Subdivisions and Planned Communities, Earnest Money Deposits, Real Estate Closings, Offer and Acceptance*** and ***Owning Vacation Rental Property.***
- ***Residential Property and Owners' Association Disclosure Statement.*** A form required for use by owners of residential real estate to disclose the condition of their property to prospective purchasers.
- ***Working with Real Estate Agents.*** Brochure required for use in all real estate sales transactions describing the various roles of real estate agents (English and Spanish).
- ***Real Estate Bulletin.*** Newsletter distributed three times each year to North Carolina real estate brokers.
- ***North Carolina Real Estate Agent Safety Guide.*** This booklet contains dozens of tips for real estate brokers to promote safety in business practice and procedure.
- ***Basic Trust Account Procedures Course*** and ***Trust Account Procedures for Resort Property Managers Course.*** Courses conducted by Commission staff for North Carolina real estate brokers and trust account bookkeepers; $45 per course; four (4) hours of continuing education elective credit is awarded for completing either course.
- ***Broker-In-Charge Course.*** 12-hour course conducted for new brokers-in-charge of real estate offices by Commission staff; $110 per course.
- ***Broker-In-Charge Guide.*** Reference publication for brokers-in-charge of real estate offices and the text for the Broker-in-Charge Course.

DIVISIONS AND PERSONNEL

REAL ESTATE COMMISSION

- ***Commission:*** Consists of nine volunteer members appointed by the Governor and General Assembly. At least three members *must be* real estate brokers, and at least two "public members" *must not be* involved in the real estate brokerage business.
- ***Function:*** Responsible for policy-making with regard to licensing and regulatory matters governing North Carolina real estate brokers. Also conducts hearings and takes disciplinary action against licensees for violations of the Real Estate License Law and Commission rules.

EXECUTIVE DIVISION

Function: Overall administration of the Commission's staff, programs, and operations in accordance with the policies and directives of the Commission.

ADMINISTRATION DIVISION

Function:
1. Personnel and financial management, purchasing, and general and technical support services (computer operations, digital imaging, etc.).
2. Maintaining records on real estate brokers, brokerage firms, brokers-in-charge, and time share projects.
3. Overseeing annual license renewal.
4. Coordinating Commission publications.

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