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District of Columbia Real Estate Commission 1100 4th St SW, Suite E500, Washington, DC 20024

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The COMMENTATOR



Chairman's Corner by Alton "Tony" Duncanson

"COMING SOON..." are the words real estate licensees frequently see on flyers and billboards for properties that are not available to see in the Metropolitan Regional Information Systems, Inc. (MRIS) . This phenomenon begs the question "Is this legal?"

The real estate licensee is asked to comply with a number of rules, regulations and codes in conducting business. Are licensees finding loopholes in each of these governing documents that supports "Pocket Listings?" A pocket listing can be defined as an exclusive listing that is signed and may eventually go into MRIS, but is held off for a few days so that perhaps the agent themselves, their office, or whomever, has first crack at it.

MRIS addresses Listing Procedures in Article XI in its Rules and Regulations Manual.

"All listing agreements shall be carefully and accurately completed and signed by the owner. Required listing information shall be entered into the service within 48 hours (excluding weekends and holidays) after all necessary signatures of the sellers have been obtained unless otherwise requested in writing by the sellers. Listings that meet the criteria for an Exempted Listing (as defined in Article XI, Sec.

4A) may be advertised without first being entered into MRIS"

Exempted Listings are a loophole, as found in MRIS Rules and Regulations Manual Section 4A. Guidance here is pretty clear, but is it used in support a pocket listing? Section 4A states:

"Exempted and Office Exclusive Listings - If the seller refuses to authorize the listing to be entered into MRIS, the listing information will not be entered into MRIS by the agent. Certification by the owner that he does not want the listing to be entered into MRIS shall be kept on file by the [MRIS] Member, non-[MRIS] Member or the Non-Realtor Licensee. The seller may, at a later date, authorize the listing to be entered into MRIS provided written authorization is obtained."

To be sure, not all real estate licensees are members of MRIS, or GCAAR, for that matter. And there is no legal requirement for licensees to join either organization. The question becomes "What rules apply to this group of agents or brokers?"

The ultimate source for all licensees is DC Official Code as well as DC Regulations. While a direct statement regarding "Coming Soon" advertising may not exist, a few basic regulations underscore that ALL

advertising must be for properties for which the Broker Company has a valid, signed listing contract. The requirement for listing contracts is plainly stated in DCMR § 42-1705:

A written listing contract is required in the District for the sale of all real property.

Per § 2615.1—Advertising real property in any communications medium, by persons licensed under this chapter, is subject to the disclosure, agency, and duty requirements of this chapter, the Act, the District of Columbia Real Estate Licensure Act of 1982 ... as amended, and any other applicable District or federal law, rule, or regulation.

Is "Coming Soon" advertising legal? Yes, with an active listing contract AND all the required disclosures and written authorization.



Alton Duncanson, DCREC Chair

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DC Housing Choice Voucher Program: An Introduction



Each partner — HUD, the District of Columbia Housing Authority, the Property Owner, and the Voucher Family — has different responsibilities.

The real estate professional should be knowledgeable of responsibilities for the property owner and/or the voucher family, the parties with which he or she will interact most.

The Housing Choice Voucher Program (HCVP) formerly known as Section 8, is a program about which every real estate licensee should be well versed. The program was created by Congress as part of the Housing and Community Development Act of 1974. The U.S. Department of Housing and Urban Development (HUD) funds the program and provides regulations and guidelines for the District of Columbia Housing Authority (DCHA). The HCVP provides rental assistance to eligible low-income families, elderly, and disabled persons in the private rental market.

The program is designed to provide improved living conditions for low-income families while maintaining their rent payments at an affordable level. Families have a variety of housing opportunities to use their Voucher subsidy. This includes apartments, duplexes, single-family homes, townhouses, condos, etc. In order to qualify for the subsidy, an applicant must:

- Furnish social security numbers for household members
- Furnish evidence of citizenship/eligible immigrant status
- Meet the definition of a “family”
- Meet income guidelines
- Pass a criminal background check

Each partner — HUD, the District of Columbia Housing Authority, the Property Owner, and the Voucher Family — has different responsibilities. The real estate professional should be knowledgeable of responsibilities for the property owner and/or the voucher family, the parties with which he or she will interact most.

Property Owner’s Responsibilities

- Screen families for suitability as residents and lease the unit.
- Collect amounts due from the Voucher Family under the lease

(resident portion of rent, security deposit, late fees, and other resident charges i.e. damages to the unit).

- Comply with the terms of the Housing Assistance Contract, lease, and lease addendum.
- Permit inspections.
- Pay for Owner supplied utilities and services.
- Manage lease including evictions for lease violations.
- Comply with Fair Housing, Landlord and Tenant Laws.
- To comply with the applicable rules and regulations of the District of Columbia.
- Make timely repairs to keep the property in good condition resulting from normal wear and tear. Listed below are the Most common reasons units fail Housing Quality Standards (HQS):
 - * Peeling or flaking paint
 - * Unsafe or rotted porches
 - * Water leaks
 - * Lack of proper ventilation of flue on hot water tank
 - * Weak or broken floor boards
 - * Faulty plumbing
 - * Missing electrical outlet covers or switch plates
 - * Inoperable smoke detectors
 - * Infestation
 - * No smoke detectors
 - * Unclean or appears to be not ready for new habitation
 - * Utilities not on

Voucher Family’s Responsibilities

- Find a suitable housing unit.
- Comply with program rules and regulations and the terms of their lease and lease addendum with Property Owners.
- Allow DCHA and Owner to inspect the unit.
- Pay rent and any utilities that are

not furnished by the Owner.

- Provide and maintain any appliance that the Owner does not furnish.
- Report income and household composition needed to verify and certify eligibility for biennial and interim reexaminations.
- Keep the unit in good condition, safe, decent and sanitary.
- Abide by all Family Obligations

Relationship of HCVP Parties

The contractual relationships between the parties is shown below.

- HUD and DCHA enter into a contract for the funding and administration of the program.
- Voucher Family signs the Voucher with DCHA which spells out the Voucher Family’s obligations to the program.
- DCHA and the Property Owner enter into a Housing Assistance Payment (HAP) contract to establish the subsidy arrangement.
- Property Owner and the Voucher Family enter into a Lease and Lease Addendum which govern the landlord/tenant relationship.

Fair Housing

The DC Human Rights Act of 1977, as amended, is the local equivalent to the federal fair housing laws, but also includes additional protected classes. One relating to HCVP: **Source of Income.** Is your query or response regarding HCVP within Fair Housing guidelines?

Protect yourself and your business. Learn all you can about the Housing Choice Voucher Program at <http://www.dchousing.org/>

Tips for Being a Successful Online Student

15 Hour CE Requirements

Broker & Property Manager

3/1/2011— 2/28/2013

Salesperson

9/1/2011— 8/31/2013

Fair Housing (3 hrs)

DC Legislative Update (3 hrs)

Financing Issues/Update (3hrs)

General Electives (6 hrs)

Visit our website at renewal
time for Online License

Renewal information:

www.pearsonvue.com/dc/realestate/

The District of Columbia Real Estate Commission regulates the licensure of real estate brokers, property managers, and salespersons.

The Commission office is located within the Department of Consumer and Regulatory Affairs
1100 4th Street, SW,
Suite E500,
Washington, DC
20024
(202) 442-4320

This newsletter and DCREC licensee training are funded by licensees through payments made to the D.C. Real Estate Guaranty and Education fund.

If you have never taken an online class before, you may be wondering how you will handle the challenge of online learning. People who are technologically challenged may be especially wary of taking online courses. Here are a few tips for a trouble free first online class.

FLEXIBILITY

The high level of flexibility may be one of the reasons why this kind of learning is so popular among students worldwide. It gives students control over their own study schedule, enabling them to fit their study around whatever else is happening in their lives. Pace and time limits are up to the students. Students may initially find that career, family, hobbies, social and civic commitments leave little time for studying. It will be a great benefit to designate a regularly scheduled time for study. To determine your schedule, keep a record for a week of how you spend your time, and then decide what you are willing to give up. Plan your study for a time when you are mentally fresh and able to devote at least one hour to your work. Put a standing appointment on your calendar. Missing too many study periods, will be cause for revising your schedule.

WHERE TO STUDY

Students will find it easier to focus in an appropriate environment for study. Designate a study place that is free from distractions. One place to consider is your workplace outside of work hours. Another good option is a public library. The best option may be a separate room in your home. Wherever the place, be sure it is comfortable with reliable internet access available.

FAQS FOR NEW LEARNERS

Your distance learning provider will probably provide something known as a Frequently Asked Questions (FAQ) document for new learners that lists frequently asked questions and their answers. Examine the FAQ carefully before you start your class. There should be information on the hardware and software you will need to successfully access online portions of the class. Most distance-learning programs have a heavy emphasis on Internet and e-mail communications. Therefore, have access to a computer that meets the minimum specifications.

The proliferation of smart phones and tablets add more options to consider. One concern is whether the course will make use of software that your hardware is not equipped to run. Multimedia courses are very common, so ensure that your hardware selection allows for audio, animations, interactive guides and downloadable notes, all of which bring a new dimension to learning. This emphasis on using new technology means that the software in use is often fresh and up-to-date. Be sure to understand what is required and check to be sure you have the correct equipment before your course begins. Try a practice run to avoid technological difficulties during the first class. Sign in to chat rooms or message boards early.

BUDDY UP

Distance learning may seem a lot less overwhelming when you have someone to work with. Search for a person who is also new to online learning and wants to take the same class. Once you

have a partner, you can ask each other questions, figure out technology problems and just provide a virtual shoulder to cry on when either of you is discouraged or frustrated. Do not worry, if you cannot find someone locally who is taking the same class. Online classes offer ways for students to meet up virtually and you will probably discover two or three other students who would love to work as a team during one of these online activities.

ASK QUESTIONS

If you think you asking questions will be difficult because your instructor can't see you raise your hand, think again. In an online learning environment, it is expected that students will be asking questions and making sure that they understand the material. Do not hesitate to email or instant message your instructor when you are confused or uncertain. He or she is there to help you learn successfully.

This information came from mydistancelearningweb.com

DC Licensees may search for online educational opportunities by visiting:

<https://www.PulsePortal.com>

Program: District of Columbia

Board: Real Estate

Select: "Approved Provider/
Courses Inquiry"

Instruction Method:
"Internet/Self Study/ Online"

Click: "View/Refresh Report"

Wait a minute or two for the report to generate. If no report is produced, check your browser for a message about blocked pop-ups and allow pop-ups from our site.

Legal Actions



**Vincent C. Gray,
Mayor**

**Nicholas A. Majett,
Director - DCRA**

<http://dcra.dc.gov/DC/DCRA>

**Alton Duncanson,
DCREC Chair**

<http://pearsonvue.com/dc/realstate/>

Occupational and Professional Licensing Administration Staff
Clifford Cooks Program Manager
Staci Mason Program Officer
Leon W. Lewis Program Liaison, Contributing Editor
Kevin Cyrus Education Liaison, Editor
Stephanie Johnston Commission Assistant
Kia Winston Legal Counsel
Wilfred Usher Chief Investigator

Edward Poutier—By Consent Order, the Commission imposed a fine of \$1,000.00 on the respondent for knowingly permitting the use of his name in an advertisement without the telephone number of the brokerage company with whom he is affiliated in violation of 17 DCMR Section 2609.6

Paul Valentino—By Consent Order, the Commission imposed a fine of \$1,000.00 on the respondent for failure to properly supervise the advertising activities of affiliated salespersons who circulated an advertisement in violation of 17 DCMR Section 2609.6, which prohibits an agent’s distribution of an advertisement without the telephone number of the brokerage company.

Rhona Wolfe Friedman—By Consent Order, the Commission imposed a fine of \$1,000.00 on the respondent for knowingly permitting the use of her name in an advertisement without the telephone number of the brokerage company with whom she is affiliated in violation of 17 DCMR Section 2609.6.

David Khakbaz—By consent order, the Commission imposed a fine of \$1500.00 for violation of DC Official Code Section 47-2853.17(a)(19) (2001) for operating as a real estate salesperson when unlicensed and not renewed.

Allegiance Realty Partners, LLC d/b/a Re/Max Allegiance—By Consent Order, a fine of \$1,000.00 was imposed on the respondent for failure to adequately supervise the circulation or placement of an advertisement in accordance with 17 D.C.M.R. Section 2614.1 and Section 2615.3.

Allegiance Realty Partners, LLC d/b/a Re/Max Allegiance—By Consent Order, a fine of \$1,000.00 was imposed on the respondent for failure to adequately supervise the circulation or placement of an advertisement in accordance with 17 D.C.M.R. Section 2614.1 and Section 2615.3.

Thomas Faison—By Consent Order, a fine of \$1,000.00 was imposed on the respondent for violation of 17 DCMR Section 2609.6 for permitting the use of his name in an advertisement without the telephone number of the brokerage company with whom he is affiliated.

Peter Frias—By Consent Order, a fine of \$1,000.00 was imposed on the respondent for violation of 17 DCMR Section 2609.6 for permitting the use of his name in an advertisement without the telephone number of the brokerage company with whom he is affiliated.

Joyce Wehrle—By Consent Order, a fine of \$1,000.00 was imposed on the respondent for violation of 17 DCMR Section 2609.6 for permitting the use of her name in an advertisement without the telephone number of the brokerage company with whom she is affiliated.

Shurnell Cathey—By consent order, the Commission imposed a fine of \$1500.00 for violation of DC Official Code Section 47-2853.17(a)(19) (2001) for operating as a real estate salesperson when unlicensed and not renewed.

Albert Smith, Jubilee Realty & Associates, LLC—The Commission imposed a fine of \$25,000.00 on the respondents for substantial misrepresentation in a real estate transaction in violation of D.C. Official Code Section 47-283.197(1); additionally, respondents failed to account for funds in violation of D.C. Official Code Section 47-2853.197(10), (22) and (23) (2001) and 17 DCMR Section 2702.7, in that respondents failed to properly deposit, account for and remit money that came into their possession which belonged to others; and failed to perform in accordance with the terms of the brokerage relationship in carrying out their fiduciary duties when representing the seller in violation of D.C. Official Code Section 47-2853.191(a)(1) (2001).

Carole Shearard Nelson—The Commission revoked the license of the respondent to practice as a real estate salesperson because of her conviction of a felony crime of money laundering in connection with a mortgage fraud scheme, and which directly or indirectly involved the practice of real estate, constituting grounds for disciplinary action pursuant to D.C. Official Code Section 47-2853.17(a)(5) (2001).

The Kriegsfeld Corporation—By consent order, the Commission imposed a fine of \$1500.00 for violation of DC Official Code Section 47-2853.02(a)(2001) for operating as a real estate organization when unlicensed and not renewed.

Martin Resnick—The respondent entered into a Settlement Agreement for allegations regarding making a substantial misrepresentation, in violation of DC Official Code Section 47-2853.197(1); (2) making false promises through an advertisement in violation of DC Official Code Section 47-2853.197(3); (3) placing an advertisement that was misleading in violation of D.C. Official Code Section 47-2853.197(9); (4) offered property for sale without the written consent of the owner of his or her authorized agent in violation of D.C. Official Code Section 47-2853.197(17); and (5) failing to furnish a copy of a listing, sale or other contract relevant to a real estate transaction to all signatories at the time of execution in violation of D.C. Official Section 47-2853.197(20). The respondent denied any liability in this matter and the matters asserted in the Notice of Intent to Take Disciplinary Action. The Settlement Agreement entered into stipulated a \$2,500.00 fine.

Eileen Navarro—By Consent Order, a fine of \$1,000.00 was imposed on the respondent for violation of 17 DCMR Section 2609.6 for permitting the use of her name in an advertisement without the telephone number of the brokerage company with whom she is affiliated.

Real Estate Guaranty and Education Fund Payment—The Commission authorized a payment from the Real Estate Guaranty and Education Fund. The licensee involved in actions taken by the Commission was Private Properties, Inc. The amount of the payment was \$31,317.78.

Real Estate Guaranty and Education Fund Payment—The Commission authorized a payment from the Real Estate Guaranty and Education Fund. The licensee involved in actions taken by the Commission was Private Properties, Inc. The amount of the payment was \$40,379.21.

Real Estate Guaranty and Education Fund Payment—The Commission authorized a payment from the Real Estate Guaranty and Education Fund. The licensee involved in actions taken by the Commission was Private Properties, Inc. The amount of the payment was \$18,768.27.

Key Dates and Facts

DCRA Offices

Department of Consumer and Regulatory Affairs (DCRA)

1100 4th St., SW
Washington, DC
20024

At Waterfront Metro Station
on the Green Line.



<http://www.dc.gov/DCRA>

2012 Event Calendar

Association of Real Estate Law Officials (ARELLO) Annual Conference
Halifax, Nova Scotia, Canada
Sept. 20 - Sept.23

2012 National Association of REALTORS® (NAR) Annual Convention
Orlando, FL November 9-12

2012 Meetings

Commission meetings scheduled for second Tuesday each month.

September 11, 2012

October 9, 2012

November 13, 2012

December 11, 2012

Dates subject to change.
Call 202-442-4320
for updated dates.

Active Licensee Counts

(As of September, 2012)

Brokers 2,546

Broker Companies 1, 109

Property Managers 458

Salespersons 7, 120



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1100 4th Street SW, Suite E500
Washington, DC 20024