

Kentucky Real Estate NEWS

A Publication of the Kentucky Real Estate Commission

Governor Steve Beshear Appoints Linda Gibson Cecil as Commissioner



On October 29, 2010, Governor Steve Beshear signed an Executive Order appointing Ms. Linda Gibson Cecil to a four-year term as Commissioner of the Kentucky Real Estate Commission. Mrs. Cecil replaces former Commissioner Ron Smith, who was ineligible for another term because of legislated term limits.

Commissioner Cecil brings considerable experience in her new role as Commissioner. She was first licensed as a sales associate in 1994. She is currently employed with Wakefield, Reutlinger Co/Realtors® and is their sales manager.

In 2003, she earned her GRI (Graduate of Real Estate Institute) designation

and her CRS (Certified Real Estate Specialist) designation.

She is a member of the National Association of Realtors® and serves as the Kentucky representative on the Professional Standards Committee. She is also a member of the Kentucky Association of Realtors®, serving on numerous committees. She was recently chairperson for the Strategic Planning Committee.

Commissioner Cecil is a member of the Greater Louisville Association of Realtors® (GLAR) and is the immediate past president of that organization. She has served on numerous GLAR committees and is currently developing a leadership program with that association. In addition, Commissioner Cecil serves as the chair for the Government Affairs Committee for KAR.

Commissioner Cecil is also a member of the Home Builders Association of Louisville. Prior to becoming a Realtor®, she was a partner in a new home construction company.

Commissioner Cecil is a native of Louisville. She and her husband are avid baseball fans. Her son, Chris, is an actor and lives in Chicago, Illinois.

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Printed with State Funds
Issue No. 214, Winter 2011

IMPORTANT 2011 ONLINE RENEWAL INFORMATION INSIDE

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Comments from the Chair

by: **James H. Huff,**
Chair



It is a great honor for me to be selected by my fellow colleagues on the Kentucky Real Estate Commission (KREC) to serve as their chair for 2011. I want to assure everyone of my commitment to the KREC and to the real estate industry. I pledge to work hard on behalf of all Kentucky real estate licensees and consumers. As chairman, I hope you will not hesitate to contact me with your opinions regarding KREC programs, activities and suggestions you have for moving the agency and industry forward.

You will notice that the primary focus of this newsletter is the unveiling of a program being initiated this year by the KREC - ONLINE LICENSE RENEWAL. The Online License Renewal Program is mandatory for all active and escrow licensees. All renewals must be completed by March 31, 2011.

This program has been developed in response to comments offered by real estate licensees to make the renewal process more efficient and to allow for electronic payments, including credit cards, debit cards, and electronic bank drafts. With the involvement of Kentucky.Gov and other technology experts, the system is safe, secure, and user friendly.

A major change for licensees, in addition to the new technology of the license renewal system, is that all licensees must renew individually. Prior to renewal, all licensees (principal brokers, brokers, sales associates, and licensees in escrow) will receive, by mail, detailed instructions regarding the renewal process. You will also receive a "password" that will allow you access to the renewal system.

The new system has involved many months of careful planning, programming, and testing. As we unveil the online renewal program, the KREC will provide numerous opportunities for licensees to have their questions answered and to provide personal assistance. These include:

1. Instructional information, along with your "password," will be mailed to all active and escrow licensees;
2. Detailed instructional information is contained throughout this newsletter;
3. Meetings will be held throughout the state to assist licensees with the renewal process (see page 9 for the schedule of meetings);
4. You can access renewal information on the KREC website at krec.ky.gov;
5. Call the KREC office at (502) 429-7250 for staff assistance. If needed, access to a computer will be available during regular business hours;
6. Contact the office of your principal broker if you have questions or need assistance.

Finally, I want everyone to know that the Commission has secured a renewal of the group errors and omissions insurance program through Rice Insurance Services Company, LLC. Program benefits are unchanged and the premium will remain at \$107.00, plus applicable taxes and surcharges. More information about the group errors and omissions insurance policy can be found on page 8 of this newsletter.

I thank you in advance for your cooperation regarding online license renewal. I look forward to working with you during the coming year.



Comments from the Executive Director

By: **Michael W. Wooden,**
Executive Director

I am honored on behalf of the staff and appointed members of the Kentucky Real Estate Commission (KREC) to recognize the long and distinguished service of Commissioner Ron Smith. As you may know, Ron's term as a KREC Commissioner ended this past November. Because state law limits the number of consecutive terms a Commissioner may serve, he was ineligible for re-appointment by Governor Beshear.

As the major focus of this newsletter is to provide the implementation details for KREC's new online license renewal process, it is fitting to devote this article to recognize the service of Ron Smith, since his leadership was instrumental in the advocacy and development of online license renewal.

Ron Smith's career in real estate has been long and remarkable. He began his real estate career in 1978 after obtaining his sales associate license. He received his broker's license in 1995. Ron continues today as the principal broker of Ron Smith Realty in Louisville.

Ron's involvement with the Commission began in November of 1998 with his appointment to the Commission by Governor Paul Patton. During his 12-year tenure as Commissioner, his leadership and direction have been vital to ensuring that the Commission meets its important statutory responsibilities to licensees and consumers. His advice and perspective have been an integral part of every Commission meeting, and his experience and insights were sought and valued by all of his professional colleagues. His fellow Commissioners recognized his leadership and professionalism by electing him KREC chairman in 2001 and 2006.

Ron has been involved in several local and state real estate organizations. Since 1978, he has been a member of the Kentucky Association of Realtors® and Greater Louisville Association of Realtors®. He is also a member of the National Association of Real Estate Brokers and served as president of its Louisville Branch from 1995 to 1998.

At the national level, Ron has represented the KREC well by his participation in the National Association of Realtors®, Association of Real Estate License Law Officials, and the Real Estate Educators Association.

All of us directly associated with or impacted by the decisions and activities of the KREC, including Commissioners, staff members, licensees, and consumers, have benefited from Ron's dedicated service. Therefore, I would encourage each of you to share with Ron your words of thanks, appreciation and gratitude. Please send any written correspondence to him using the KREC mailing address: Kentucky Real Estate Commission, 10200 Linn Station Road, Suite 201, Louisville, Kentucky 40223. We will assemble and pass along your letters and messages directly to him.

In the meantime, be assured that all of us at the KREC will continue to seek Ron's guidance, advice, and participation in Commission and industry activities. Ron's willingness to give his personal time and professional expertise to the Commission and other local, state, and national real estate organizations has been extraordinary. While his future service may be in a different capacity, I am confident Ron's commitment to the real estate industry, to Louisville, and to the Commonwealth will continue.

On behalf of the Kentucky Real Estate Commission, I extend to Ron, his wife Shirlee, his five children, nine grandchildren, and two great grandchildren the very best in good health, happiness, and success in the years ahead.



Commissioner Ron Smith receiving a distinguished service plaque from Chairman Glenn Thomas

Commissioner's
Corner



Jim Huff



Bob Roberts



Ken Perry



Glenn Thomas



Linda Gibson Cecil

IMPORTANT THINGS TO KNOW ABOUT ONLINE RENEWAL

1. License Renewal begins on March 1, 2011 - Deadline is March 31, 2011;
2. License Renewal must be completed online by **ALL** licensees (including all principal brokers, active brokers and sales associates and escrow licensees);
3. Carefully read and save renewal instructions (provided in this newsletter, mailed to all licensees, and available on the KREC website);
4. Active brokers and sales associates **CANNOT** renew until their principal broker has registered and renewed on/after March 1;
5. Escrow licensees must renew March 1, 2011 - March 31, 2011;
6. You must know your password and license number;
7. You must have an email account;
8. You will have electronic payment options (credit card, debit card, electronic bank draft/check);
9. Confirmation of all renewals provided on the online system and through a follow-up email;
10. Multiple options available for licensees needing assistance.

Online Renewal Questions?
Email us at: krec.alerts@ky.gov

MARK YOUR CALENDAR!

March 1, 2011- March 31, 2011

Renewal Period is Open for All Licensees (active and escrow)

March 31, 2011

Deadline for License Renewal

April 1, 2011 - May 15, 2011

Late Renewal Penalty of \$100.00 (license cancelled until license is renewed and late payment submitted)

May 16, 2011 - March 31, 2012

Late Renewal Penalty Increases to \$200.00 (license remains cancelled until license is renewed and late payment submitted)

April 1, 2012

License Cancelled for over One Year- Reinstatement Subject to Completion of Prevailing Pre-License Requirements

ONLINE RENEWAL INSTRUCTIONS FOR PRINCIPAL BROKERS

Below are step-by-step instructions to register your firm and renew your principal broker's license.

Please register and renew as soon as possible because if you have sales associates and brokers affiliated with your firm, they CANNOT renew their individual licenses until you register your firm and renew your license.

STEP 1: Registration - Access the Kentucky Real Estate Commission website at www.krec.ky.gov. Select the link for online renewal and login using your license number and password. (These items are included in the letter mailed to your home.) Click LOG IN.

STEP 2: Welcome Screen - Enter your current password, enter your new password twice, answer the two (2) security questions and enter your email address. Click CONTINUE.

STEP 3: Registration Key - Enter your main firm registration key. (You received your registration key in a letter that was mailed to your office.) Click NEXT.

STEP 4: Firm Registration Screen - To register your firm(s) click EDIT Escrow Information. Then fill in the boxes with your bank's name, escrow account number, street address and city. Escrow accounts must be maintained at a KENTUCKY BANK. If you have more than one branch, you can apply this account to all branches by checking the appropriate box. If not, you will need to click on EDIT ESCROW for each branch. Each branch has a checkbox to allow you to accept the firm escrow account or complete new bank information. Enter your primary firm contact information. If you intend to purchase Commission group E & O insurance, select YES. If you have private E & O insurance, select NO, and you will be able to upload your Private Carrier Certification of Coverage (Form #500) on this screen. Click NEXT.

STEP 5: Branch Registration - Click VIEW BRANCH LICENSEES to view a list of the licensees associated with the branch. (If you would like to release licensees, select the licensee(s) to be released and click **RELEASE SELECTED LICENSEES** at the bottom of the page. You will receive an alert confirming your changes. Check the acknowledgement box and type your name in the box, which is your digital signature. Then, click **RELEASE THESE LICENSEES**.) Whether you released licensees or not, you will click RETURN TO BRANCH LISTING. Your status should show

complete. Click NEXT.

STEP 6: Summary Screen - This screen will include a summary of the information you have entered regarding your branch. Enter your digital signature in the box provided and click NEXT. The ALL FIRMS screen appears, click NEXT to continue. (Principal brokers with more than one (1) firm will be prompted to complete registration for each firm, as each firm requires a separate escrow account.)

STEP 7: License Renewal - Once you have completed registration (and beginning March 1), you will proceed to the license renewal screen. Answer YES to the question, "Do you wish to renew your license at this time?"

STEP 8: E & O - If you are purchasing Commission Group E & O, be sure you select YES to answer the E & O question and click NEXT. If you are purchasing private E & O, you should select NO and you will follow the on-screen instructions to either upload, fax or mail a completed Form #500 to the Commission Office for approval. Log out and return later when your private E & O insurance has been approved by Commission staff. Once your private E & O has been approved, you will receive a confirmation email. Log back into the system and follow the on-screen instructions. If you see a red x, it means your private E & O has not been approved. You should log out and return later to see if it has been approved. (Approvals are usually completed within 48 hours of submission.)

STEP 9: Payment - Select the type of payment you will use, either credit/debit card or electronic check. Your fee summary will appear. (If you choose electronic check you will receive a question about International ACH Transactions. Answer the question.) Fill in the payment information boxes and your billing address. Click PAY NOW. You will then receive a thank you confirmation for your renewal. You can print this out for your records. Later you will receive an email confirming your renewal.

STEP 10: Renew by 3/31/11 to avoid a **\$100.00** penalty that increases to **\$200.00** after 5/15/11.

REMEMBER
Your Licensees
Cannot Renew
Until You
Do!

ONLINE RENEWAL INSTRUCTIONS FOR ACTIVE SALES ASSOCIATES AND BROKERS

Below are step-by-step instructions to renew your active sales associate or broker license. If you do not own a computer or you are uncomfortable using a computer, please stop by and see us when we go on the road. See page 9 for a schedule of KREC assistance sessions throughout the Commonwealth.

STEP 1: Registration/Renewal - Access the Kentucky Real Estate Commission website at www.krec.ky.gov. Select the link for online renewal and login using your license number and password (These items are included in the letter mailed to your home). *Please note: If your principal broker has not renewed, you will get a message that says, "We're Sorry! Your Principal Broker has not registered at this time." Contact your Principal Broker and request that he/she register and renew.* Click LOG IN.

STEP 2: Welcome Screen - Enter your current password, enter your new password twice, answer the two (2) security questions and enter your email address. If you do not have an email address, see the back page of this newsletter for instructions on obtaining one. Click CONTINUE.

STEP 3: License Renewal - You will proceed to the license renewal screen. Answer YES to the question "Do you wish to renew your license at this time?"

STEP 4: E & O - If you are purchasing Commission Group E & O, be sure you select YES when answering the question and click NEXT. If you are purchasing private E & O, you should select NO. Active licensees SHOULD check with their principal broker to verify this selection. If your private E & O has been approved, you will see a green check and you can click NEXT to continue. If you see a red x, it means your private E & O has not been approved. You should log out and return later to see if it has been approved. (Approvals are usually completed within 48 hours of submission.)

STEP 5: Payment - Select the type of payment you will use, either credit/debit card or electronic check. (If you choose electronic check you will receive a question about International ACH Transactions. Answer the question and click PAY NOW.) You will see the fee summary screen. Fill in the payment information boxes and your billing address. Click PAY NOW. You will then receive a thank you confirmation for your renewal. You can print this out for your records. Later you will receive an email confirming your renewal.

I*M*P*O*R*T*A*N*T R*E*M*I*N*D*E*R*S:

You CANNOT make address or name changes online.

You CANNOT transfer your license from one broker to another online.

You CANNOT cancel your license online.

The deadline to renew is March 31, 2011. Late renewals are subject to a **\$100** penalty, which will increase to **\$200** after May 15, 2011.

ONLINE RENEWAL INSTRUCTIONS FOR ESCROW LICENSEES

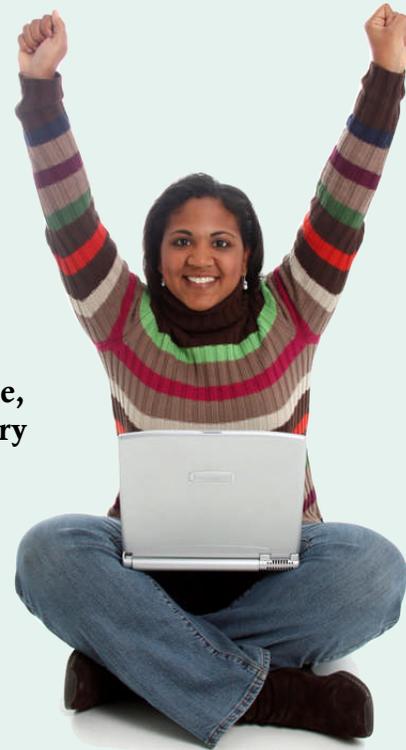
Below are step-by-step instructions to renew your license in escrow. If you do not own a computer or you are uncomfortable using a computer, please stop by and see us when we go on the road. See page 9 of this newsletter for a schedule of KREC assistance sessions throughout the Commonwealth.

STEP 1: Registration/Renewal - Access the Kentucky Real Estate Commission website at www.krec.ky.gov. Select the link for online renewal and login using your license number and password. (These items are included in the letter mailed to your home.) Click LOG IN.

STEP 2: Welcome Screen - Enter your current password, enter your new password twice, answer the two (2) security questions, and enter your email address. If you do not have an email address, see the back page of this newsletter for instructions on obtaining one. Click CONTINUE.

STEP 3: License Renewal - You will proceed to the license renewal screen. Select YES to the question "Would you like to continue your escrow status?" To renew your license, click NEXT. (If you want to cancel your license, select NO. There is no cost to cancel your license.

STEP 4: Payment - Select the type of payment you will use, either credit/debit card or electronic check. A fee summary change will appear. (If you choose electronic check you will receive a question about International ACH Transactions. Answer the question.) You will then see the expanded payment summary screen. Fill in the payment information boxes and your billing address. Click PAY NOW. You will then receive a thank you confirmation for your renewal. You can print this out for your records. Later you will receive an email (sent to the email address provided) confirming your renewal.



IMPORTANT REMINDERS:

You CANNOT make address or name changes online.

You CANNOT activate your escrow license online.

The deadline to renew is **March 31, 2011**. Late renewals are subject to a **\$100.00** penalty, which will increase to **\$200.00** after May 15, 2011.

Top 10 questions received from licensees regarding renewal:

1. Why does everyone have to renew online?

Many state agencies, not just the KREC, are working on online systems for communication and record keeping. Online renewal will make it easier for licensees to ensure they are renewed quickly. In the future, the KREC would like to expand the use of this system, giving licensees the ability to handle many licensing issues quickly and conveniently. The online system will help keep future licensing costs down and will eliminate much of the paperwork now required. Online renewal alone will save thousands of pieces of paper every year.

2. Why can't I pay by check?

You **CAN** pay by check. Online renewal does not leave you with less payment options - it gives you more. For years the KREC has received requests from licensees who wanted the ability to pay for their renewal using a credit card. Licensees can now use a credit card through the online renewal system, and licensees can still pay by check by entering the routing and account numbers on his/her your check.

3. I don't trust the Internet. Is it secure?

This system is very secure. Please note that the Internet address is different from the regular KREC website. The address begins with "https:" instead of "http:". This indicates that you are being directed to a secure website. When you access sensitive accounts, such as your banking information, you will see the same security measure.

Some licensees have told us they do not want to pay by check online because we will have their routing numbers. However, when you have paid by check in years past, we have had your routing number and, in fact, it was less secure than this site, as your check floated through many hands in the processing of renewals.

4. I only need email to renew, right?

You will need email to renew; however, the KREC will eventually use email to communicate important information to you. If you do not have email, you can use someone else's email. However, be aware that your renewal confirmation, as well as other messages the KREC plans to communicate in the future, will be sent to the email address you provide.

5. Can I give my password to someone to help me renew?

Yes, but please keep in mind the use of your password is the same as allowing someone to sign your name for you.

6. How will I know my renewal is complete?

The last page of the system will say "Thank you! You have successfully renewed your license" and provides you with a summary of your transaction. You will also receive an email confirmation that your renewal is complete.

7. How much is this going to cost me?

All licensees (active and escrow) pay \$60.00, plus processing fees, to renew their license. Active licensees will also need to purchase group E & O insur-

ance or provide a Certificate of Coverage from a private insurance provider.

8. Once I log on, do I have to finish or can I log in, get out, and come back later if I need to?

It will be best if you have everything you need when you sit down at the computer to renew, but yes, you can get in and out of the system easily.

9. Why did the KREC do this, especially when so many don't have a computer?

The KREC listened to the concerns expressed by licensees. Many felt that they should be able to pay for renewal with a credit card- not just a check. There were other frustrations expressed over the mail, having incomplete renewal information, and incorrect payments returned. All of these issues could turn renewal into a process lasting several weeks for some as they waited for items to go back and forth in the mail. Online licensing renewal can be completed in a matter of minutes.

10. What happens if I don't renew online?

Online renewal is mandatory for all licensees. Failure to renew will subject licensees to heavy fines and cancellation of their licenses. We hope that online renewal will actually increase the opportunity and availability to renew quickly and efficiently. We know you will find this system easy to use. Please feel free to call us with any questions or problems and we will be glad to assist you.

KREC Renews Errors and Omissions Contract with RISC

We are pleased to announce that the Commission has secured a renewal of the group E & O insurance contract with Rice Insurance Services Company, LLC (RISC). The group carrier for the 2011/2012 program is Continental Casualty Company, one of the CNA insurance companies. The premium is \$107.00 (plus fees & taxes) per licensee. Information regarding the group program is included in the online renewal mailing sent to all active licensees. The contract was renewed under the same terms and conditions, which are: licensees have a \$100,000 limit of liability, a \$0 deductible, and a \$1,000,000 annual aggregate. The policy also provides several endorsements at no additional expense to the licensee. For more information, please visit RISC's website listed below or call its office directly:

Rice Insurance Services Company, LLC , P.O. Box 6709, Louisville, KY 40206-0709

Phone: 502-897-1876 or Toll Free: 1-800-637-7319 & Fax: 502-897-7174

Dial Ext. 1 for General Information, Ext. 2 for Claims or Ext. 3 for Firm Excess Coverage.

Website: www.risceo.com

HAVE QUESTIONS, NEED ASSISTANCE? WE ARE COMING TO YOU!

The Kentucky Real Estate Commission is going on the road. We will be traveling to five (5) areas of the state to assist licensees with the new online renewal program. Below are the locations and dates for the various sessions. You do not need to register with the KREC. It will be on a first-come, first-served basis. Also, the KREC will have a computer and staff available in our lobby during the entire month of March. If you are unable to attend one of these sessions, remember that you can go to a public library to access a computer.



March 15, 2011 (9:00 am - 3:00 pm CST)
Madisonville Hopkins County Board of REALTORS®

March 16, 2011 (9:00 am - 3:00 pm EST)
Northern Kentucky Board of REALTORS®

March 17, 2011 (9:00 am 3:00 pm EST)
Eastern Kentucky Association of REALTORS®

March 18, 2011 (9:00 am - 3:00 pm EST)
Somerset-Lake Cumberland Board of REALTORS®

March 21, 2011 (9:00 am - 3:00 pm EST)
Lexington-Bluegrass Association of REALTORS®

What To Bring With You:

- Principal brokers will need their registration number (sent by mail to their office address), their password (sent by mail to their home address), and escrow account information for each firm(s).**
- Active sales associates, active brokers and all licensees in escrow will need their license numbers and their passwords (sent by mail to their home address).**
- Everyone will need a credit card, debit card or your bank account number and bank routing number.**
- Everyone will need to know their email address. If you do not have an email address, we can assist you. *Instructions for this are on the back page of this newsletter.***



Disciplinary Actions

**Paul F. Mik, Jr.**

Case No. 09-0034 (Ekron)

Violation: Mr. Mik stipulated to an unintentional violation of KRS 324.160(4)(t), resulting from his inadvertent failure to timely complete the continuing education requirements that were ordered in Case No. 08-0118.

Disposition: Mr. Mik agreed to a thirty (30) day conditional suspension of his license.

Michael A. Murray

Case No. 10-0053 (Munfordville)

Violation: Mr. Murray stipulated to an unintentional violation of KRS 324.160(4)(u) for inadvertently failing to release his buyer-client's earnest money deposit as required under the Appraisal Contingency clause of his buyer-client's and his purchase contract.

Disposition: Mr. Murray agreed to pay, in lieu of a fine, one thousand dollars (\$1,000.00) to his buyer-client and agreed to a formal reprimand.

Linda F. Mitchell

Case No. 10-0035 (Owensboro)

Violation: Ms. Mitchell stipulated to violations of KRS 324.160(4)(t), for violating 201 KAR 11:400 and 201 KAR 11:121, in a dual agency transaction, by failing to properly complete an agency disclosure statement by failing to timely disclose, to her seller-client, the failure of her buyer-client to deliver to Ms. Mitchell the earnest money deposit for their contract, causing her seller-client to incorrectly assume that said deposit had been made as documented in same, as well as in other documents.

Disposition: Ms. Mitchell agreed to pay five hundred dollars (\$500.00) to her seller-clients and to accept a formal reprimand.

Janice Mueller

Case No. 10-0018 (Lexington)

Violation: Ms. Mueller stipulated to an unintentional violation of KRS 324.160(4)(u), resulting from circumstances that caused her to forget to timely return a license to the Commission.

Disposition: Ms. Mueller agreed to pay a fine in the amount of two hundred fifty dollars (\$250.00).

Susan Daily

Case No. 10-0001 (Louisville)

Violation: Ms. Daily stipulated to an unintentional violation of KRS 324.160(4)(t) for inadvertently failing to timely complete the continuing education requirements ordered in consolidated Case Numbers 08-0200 and 09-0029.

Disposition: Ms. Daily agreed to pay a fine in the amount of two hundred and fifty dollars (\$250.00) within ten (10) days of the entry date of the Commission's Final Order.

David P. McGahren

Case No. 09-0225 (Brentwood, TN)

Violation: Mr. McGahren stipulated to an unintentional violation of KRS 324.160(4)(u), resulting from his mistaken belief that the release and return of a license to the Commission had been properly handled.

Disposition: Mr. McGahren agreed to pay a fine in the amount of two hundred fifty dollars (\$250.00), within ten (10) days from the entry date of the Commission's Final Order.

Thomas N. Thompson

Case No. 09-0212 (Owensboro)

Violation: Mr. Thompson, stipulated to an unintentional violation of KRS 324.160(4)(u), resulting from a mistaken belief that his

office assistant, in his absence, had properly handled the release and return of a license to the Commission.

Disposition: Mr. Thompson agreed to pay a fine in the amount of two hundred fifty dollars (\$250.00).

Charles R. Hoffman

Case No. 09-0224 (Georgetown)

Violation: Mr. Hoffman stipulated to an unintentional violation of KRS 324.160(4)(u), resulting from an inadvertent failure to properly handle the release and return of a license to the Commission, caused by a "mail-pick up" problem that has been corrected to avoid such problems in the future.

Disposition: Mr. Hoffman agreed to pay a fine in the amount of two hundred fifty dollars (\$250.00).

Samantha Hubert

Case No. 10-0045 (Lawrenceburg)

Violation: Ms. Hubert stipulated to an unintentional violation of KRS 324.160(4)(u), resulting from mail-delivery problems that no longer exist.

Disposition: Ms. Hubert agreed to pay a fine in the amount of two hundred fifty dollars (\$250.00).

Sandra E. Sparks

Case No. 09-0179 (Brooks)

Violation: Ms. Sparks stipulated to an unintentional violation of KRS 324.160(4)(o) for inadvertently sending a postcard solicitation for a listing to a consumer who was under an existing listing contract that Ms. Sparks mistakenly assumed would be expired by the time the postcard was received by said consumer.

Disposition: Ms. Sparks agreed to pay a fine in the amount of two hundred fifty dollars (\$250.00) and to accept a formal reprimand.

Kentucky's *New* Condominium Law and Commission-Approved Form

KRS Chapter 381, entitled “*Title to Property and Restrictions on Use, Ownership, and Alienation*,” has been amended to include several new laws that are commonly referred to as Kentucky’s new condominium laws. These laws, which became effective on January 1, 2011, are found in KRS 381.9101 to 381.9207 and are officially known as the Kentucky Condominium Act - “a general act intended as a unified coverage of its subject matter...” (See, KRS 381.9117.) These laws have also been divided into four (4) categories in the amended version of KRS Chapter 381. The categories are:



General Provisions, KRS 381.9101 to 381.9123;

Creation, Alteration, and Termination of Condominiums, KRS 381.9125 to 381.9163;

Management of Condominium, KRS 381.9165 to 381.9199; and

Protection of Condominium Purchasers, KRS 381.9201 to 381.9207.

Licensees involved in the resale of condominiums should be aware of the new laws, particularly KRS 381.9203, which governs these types of transactions. Specifically, under subsection (1) of this statute, “a seller of a unit” is required to “**furnish to a purchaser**, upon request and before execution of any contract for sale of a unit, or otherwise before conveyance, a **copy of the declaration**, other than the plats and plans, and a **copy of the bylaws, the rules or regulations of the association, and a certificate** containing [information required under subparagraphs (a)-(j) of this particular subsection].” (Emphasis added.)

Licensees should also be aware that under subsection (2) of KRS 381.9203, an association is required to furnish--to a unit owner--a certificate containing the above-referenced required information, within ten (10) days after the unit owner has requested it. This subsection also states, in part, that “a unit owner providing a purchaser with the certificate...shall not be liable to the purchaser for any erroneous information provided by the association and included in the certificate.”

Finally, subsection (3) of KRS 381.9203 states that “a unit owner shall **not** be liable to a purchaser for the failure or delay of the association to provide the certificate in a timely manner, **but** the sales contract is **voidable** by the purchaser **until** the certificate has been provided and for five (5) days thereafter **or until** conveyance, **whichever first occurs.**” (Emphasis added.)

REFERENCES

A Commission-approved form that may be used to comply with these requirements can be accessed from the Commission’s website (krec.ky.gov) under Legal Forms & Contracts “Condo Resale Certificate for KY.”

A copy of KRS Chapter 381, including the recently-enacted amendments to it, can be accessed from the following website: (lrc.ky.gov/KRS/381-00/chapter.htm)

DON'T HAVE AN EMAIL ADDRESS! IT'S EASY TO GET ONE.

You can obtain an email account from several online providers for free. Check with www.yahoo.com or www.msn.com. Below are directions to obtain one from MSN.



1. Go to the website www.msn.com.
2. Click on the word "hotmail" in the left corner.
3. Click on the question "Don't have windows live id? Click to sign up."
4. A "Create your Hotmail Account" screen will appear. You will need to fill out the boxes on the screen. You will need to create a unique email address. Type in the address you want. The system will let you know if it is in use and if so, some alternatives that are available. You will also create a password.

Just follow the steps and you will have your own email address. Then you can go to www.msn.com and login to see if you have any messages anytime you want. You just click on hotmail in the left corner and it will instruct you on how to sign into your account. You can also access your account from other computers by going to the website and signing in. Be sure to keep your email address and password in a safe place. The Commission will be emailing you throughout the year with important information regarding your license.

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The Kentucky Real Estate Commission will be closed on:

April 22, 2011
(Closing at 11:45 am
for Good Friday)

May 27, 2011
(State Furlough Day)

May 30, 2011
(Memorial Day)