

N.J.  
STATE OF NEW JERSEY  
Department of Banking & Insurance,  
DIVISION OF THE NEW JERSEY REAL ESTATE COMMISSION,  
1100 Raymond Boulevard Newark

112  
N-6648

TO: LICENSED REAL ESTATE BROKERS

FROM: ROBERT R. PEACOCK, SECRETARY-DIRECTOR, NEW JERSEY REAL ESTATE COMMISSION

SUBJECT: REVISED RULES AND REGULATIONS ADOPTED BY THE COMMISSION AND  
MEMORANDUM PREPARED AND FURNISHED BY ARTHUR J. SILLS, ATTORNEY GENERAL  
OF NEW JERSEY

We are enclosing a copy of the revised Rules and Regulations adopted by the Commission, effective December 1, 1963. Copies of these Rules and Regulations are being made available to all salesmen in your employ by incorporation in the N. J. R. E. C. ADVISER. It is the responsibility of the broker to bring these new Rules and Regulations to the attention of all salesmen.

Enclosed also are five copies of a memorandum prepared and furnished by Arthur J. Sills, Attorney General of New Jersey, to be given to owners listing property for sale or rent in accordance with the provisions of Rule 23(H). Additional copies may be obtained upon written request to the Division on Civil Rights, 52 West State Street, Trenton, New Jersey. However, the privilege is granted to any broker to reprint such memorandum at his own expense, provided the memorandum is printed in toto without additions or omissions.

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DIVISION OF THE NEW JERSEY REAL ESTATE COMMISSION  
1100 Raymond Boulevard Newark

The New Jersey Real Estate Commission hereby announces that, effective December 1, 1963, Rules 16(C), 23(H) and 26 are being added to those adopted July 1, 1961. The Real Estate Commission also advises that Rules 14, 15(A), 18(B), 18(C), 19, 23(E), 24, 25 and 25(A) are being revised as noted below.

16(C) No real estate broker or salesman shall advertise, or use any form of application or make any inquiry which expresses directly or indirectly, any limitation, specification or discrimination as to a person's race, religion, creed, color, national origin or ancestry.

23(H) At the time of the taking of any listing of residential property, a licensee shall furnish to the owner a copy of a summary of the New Jersey Law Against Discrimination, which summary shall have been prepared and furnished by the Attorney General of the State of New Jersey and which summary shall briefly state the provisions of the Law Against Discrimination and which summary shall state which properties are covered by said law and which properties are exempt from said law. Should the owner then profess an unwillingness to abide by or an intention to violate said law, then the licensee shall not accept such a listing -- written, oral or otherwise.

26. No broker or salesman shall affirmatively solicit the sale, lease, or the listing for sale or lease, of residential property on the grounds of alleged change of value due to the presence or prospective entry into the neighborhood of a person or persons of another race, religion or ethnic origin nor shall distribute, or cause to be distributed, material or make statements designed to induce a residential property owner to sell or lease his property due to such change in the neighborhood.

14. No arrangement, direct or indirect, shall be entered into by any licensee whereby an individual licensee lends his name or license for the benefit of another person, firm or corporation, or whereby the provisions of the Real Estate Statute and Regulations relating to licensing are circumvented. Any arrangement whereby a broker's license is sought in the name of the salesman proposed to be in the broker's employ, or is sought in the name of a firm or corporation containing the name of such salesman but not containing the name of the individual licensee responsible for the acts of such firm or corporate licensee as provided for herein at Regulation 4(B)1, shall be construed as seeking to lend a broker's license for the benefit of another person, firm or corporation.

15(A) Where a real estate broker inserts advertisements in a newspaper or any other publication to make an offer to sell, buy, exchange or rent real property, or any interest therein, such advertisement shall clearly indicate to the reader that the advertisements have been placed by a

person engaged in the real estate brokerage business. Examples of permissible language shall include, but are not limited to, "Realtor", "Realist", "Real Estate Broker", "Broker" or "Agency". This provision shall not apply where the broker has legal or equitable ownership of the property.

18(B) If such office be located in a residence, it shall be independent of living quarters and shall have a separate exterior entrance plainly visible from the street upon which the licensed premises shall have frontage. Sub-section (B) shall not apply to offices in existence prior to December 1, 1963.

18(C) No broker's maintained place or places of business shall be in the dwelling premises of any salesman in that broker's employ.

19. In the event a real estate broker maintains a branch office or offices, every such place of business shall comply with the provisions of Rule No. 18. No duplicate license shall be issued for a branch office situated in the dwelling premises of a salesman. Any branch office shall be under the direct supervision of either a licensed broker or a salesman who has been the holder of a license for at least two years immediately preceding and who would, if he so desired, qualify for a broker's license pursuant to the provisions of Rule No. 3. Such individual shall devote his full time to management of said office during the usual business hours. The name of the individual responsible for the supervision of the branch office shall be recorded at all times with the Commission. When a branch office license is issued to a broker it shall specifically set forth the name of the licensee in charge as "Office Supervisor" and shall be conspicuously displayed at all times in the branch office. The said branch office license shall be returned for cancellation or correction upon the change of an "Office Supervisor".

23(E) The licensee shall transmit every formal or written offer on a specific property to the owner.

24. In order to facilitate administrative regulation, it is directed that each broker who ceases to be active return to the Commission immediately, his license, and licenses of all salesmen, and broker-salesman for cancellation.

Each employee's license must be accompanied by a letter terminating employment in compliance with R.S. 45:15-14. Broker's failure to do so shall be considered a violation.

25. The following Regulations are applicable to promotional sales of out-of-State property in this State in accordance with the provisions of N. J. S. A. 45:15-16.1.

No person, firm or corporation other than a duly licensed New Jersey real estate broker may apply for an investigation of a property located outside this State as provided in N. J. S. A. 45:15-16.1.

The Commission shall require an applicant to submit certain documents prior to inspection, which shall, to-

gether with review of the tract, form the basis for the Commission's judgment whether to permit the offering of these lands or grant a hearing upon request, to determine whether or not the offering of these lands should be denied in the best interests of the general public.

25(A) The Commission shall require that a questionnaire shall be completed under oath by the developer and that the documents, statements and data listed below shall be furnished to the Commission prior to review. Furthermore, the licensed New Jersey real estate broker representing and presenting the offering of said developer shall certify that he has reviewed all documents and promotional material proposed to be used in New Jersey; and that he certifies to the accuracy thereof and to the fact that the promotional material reasonably portrays the facts observed at and in the vicinity of the development.





STATE OF NEW JERSEY  
ARTHUR J. SILLS  
ATTORNEY GENERAL

December 1, 1963

MEMORANDUM

TO: Owners of Residential Property  
FROM: Arthur J. Sills, Attorney General of New Jersey  
SUBJECT: Your responsibilities under New Jersey's Law Against Discrimination (N.J.S.A. 18:25-1 et seq.)

The rules of the New Jersey Real Estate Commission require every licensed broker or salesman with whom you have listed your property for sale or for rent to give you a copy of this legal memorandum. The purpose of this is to help you comply with the Law Against Discrimination.

If the sale or rental of your property is covered by the Law Against Discrimination, you are prohibited from discriminating against a prospective buyer or tenant because of race, creed, color, national origin or ancestry.

The sale or rental of your property *is* covered by the Law, if it involves:

1. The sale or rental of a dwelling, or any portion thereof, on which there is a current mortgage or loan guaranteed by the Federal Housing Administration (FHA) or the Veterans Administration (VA).
2. The sale or rental of a three-family dwelling, or any portion thereof, in which you do not occupy one of the apartments.
3. The sale or rental of any dwelling, or any portion thereof, containing four or more apartments.
4. The sale or rental of any one or two-family dwelling, or any portion thereof, that is in a development containing 10 or more dwelling houses.
5. The sale or rental of any open land.

The sale or rental of your property *is not* covered by the Law, if it involves:

1. The sale or rental of a one or two-family dwelling, or any portion thereof, which is not part of a development containing 10 or more dwelling houses and on which there is no FHA or VA guaranteed mortgage or loan.
2. The sale or rental of a three-family house, or any portion thereof, in which you occupy one of the apartments.
3. The rental of a room or rooms in a one-family house or apartment which you occupy.

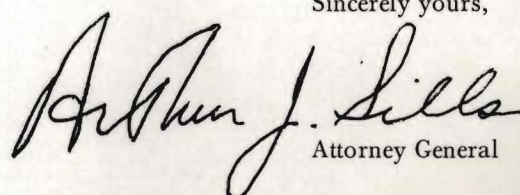
If your property is covered by the Law, the following requirements apply to your sale or rental of it:

1. There can be no discriminatory advertising of any kind relating to the proposed sale or rental.
2. The broker or salesman with whom you list your property must refuse the listing, if you indicate any intention of not abiding by the law.
3. The broker or salesman with whom you have listed your property must transmit to you every formal or written offer he receives for the property you have listed with him.

Your broker or salesman is licensed by the New Jersey Real Estate Commission and his activities are subject to the general real estate laws of the State and the Rules and Regulations of the Commission which are enforced by that agency.

The provisions of the New Jersey Law Against Discrimination apply to all people in the State and are enforced by the Division on Civil Rights in the Department of Law and Public Safety.

Sincerely yours,

  
Attorney General