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.
The New Jersey Real Estate Commission hereby announces
that, effective December 1, 1963, Rules 18(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 ex-
presses 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 inten-
tion to violate said law, then the licensee shall not ac-
cept 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 neigh-
borhood of a person or persons of another race, religion
or ethnic origin nor shall distribute, or cause to be dis-
tributed, 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 sales-
man but not containing the name of the individual licen-
see 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", "Realtist", "Real Estate Bro-
kier", "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 in-
dependent 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 bro-
ker's employ.

19.
In the event a real estate broker maintains a branch of-
ce 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 sales-
man who has been the holder of a license for at least two
years immediately preceding and who would, if he so de-
clared, qualify for a broker's license pursuant to the provi-
sions 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 of-
ce. The said branch office license shall be returned for
the office's own management, or cancelled 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

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 deter-
mine 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 fur-
nished 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.
MEMORANDUM

TO: Owners of Residential Property
FROM: Arthur J. Sills, Attorney General of New Jersey

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,

Arthur J. Sills
Attorney General