



Ohio Revised Code

Section 1349.11 Lending institution may not require use or employment of affiliated real estate broker.

Effective: July 1, 2005

Legislation: House Bill 431 - 125th General Assembly

(A) No lending institution, as defined in section 175.01 of the Revised Code, that is affiliated with or authorized to be affiliated with a real estate broker and that provides real estate brokerage services to third parties shall fix or vary the terms and conditions on a mortgage loan or the granting of a mortgage loan on the condition or requirement that the customer of the lending institution use or employ the services of the affiliated real estate broker.

(B) A lending institution, service corporation, or any person engaged in providing real estate brokerage services to third parties at all times shall be identified as separate and distinct from any lending institution with which it is affiliated or associated and shall hold itself out as separate and distinct by doing both of the following:

(1) Providing full and complete disclosure in writing of its relationship with the lending institution to persons who employ it to provide real estate brokerage services;

(2) Separately identifying any office space it uses in any building also used by the lending institution.

(C) No service corporation, real estate broker, or person associated with a lending institution shall represent to the public or to any person employing the corporation, real estate broker, or person to provide real estate brokerage services that the lending institution offers different terms and conditions on mortgage loans to those who employ the corporation, real estate broker, or person for real estate brokerage services than to persons who do not so employ the corporation, real estate broker, or person.

(D) This section does not apply to real estate owned by lending institutions.

(E) Subject to division (F) of this section, the director of commerce and appropriate division superintendents within the department of commerce shall enforce this section.



(F)(1)(a) The superintendent of real estate shall enforce and administer this section insofar as it relates to persons licensed as real estate brokers pursuant to Chapter 4735. of the Revised Code. In that enforcement and administration, the superintendent possesses and may use the authority conferred by that chapter.

(b) The director of commerce and the superintendent of any division within the department of commerce that has jurisdiction over a particular lending institution shall enforce and administer this section insofar as it relates to that lending institution. The superintendent of real estate shall not enforce and administer this section insofar as it relates to any lending institution.

(2) Any licensed real estate broker subject to division (B) or (C) of this section who fails to comply with either division is guilty of misconduct for purposes of division (A)(6) of section 4735.18 of the Revised Code.