

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
1511 PONTIAC AVENUE, BLDGS. 68-69
CRANSTON, RHODE ISLAND 02920

IN THE MATTER OF:

CAROLE M. SCARALIA

RESPONDENT.

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: DBR COMPLAINT # 2019-19
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CONSENT AGREEMENT

The Department of Business Regulation ("Department") and Carole M. Scaralia ("Respondent") hereby agree that:

1. Respondent is a licensed Real Estate Salesperson, holding License Number RES.0017228 pursuant to R.I. Gen. Laws § 5-20.5-1 *et seq.*

2. On or about June 17, 2019, the Department received a complaint that the Respondent was engaged in unprofessional activity while engaged in a real estate transaction in the State of Rhode Island.

3. Complainant, a California resident, reported that Respondent had been engaged to find a suitable tenant for her vacant house located at 160 Locust Glen Drive, Cranston, Rhode Island. Complainant stated she wanted a tenant with a stable income, no evictions and a good credit score.

4. Complainant requested recommendations for a handyman to make needed repairs to the property. Respondent recommended a handyman used by her late husband, who had been a former tenant of his before he sold the property. Respondent explained to the complainant that he had a sick child and received Section 8 Housing assistance and recommended him to fill the vacant

apartment. Complainant declined this recommendation.

5. Respondent continued to show the property to multiple interested parties but due to restrictions on the use of portions of the house they all declined.

6. Complainant contacted Respondent, after a period of time and advised she would accept the handyman as a tenant and instructed her to prepare a lease for signature. After the new tenant had moved in it was learned by Complainant that the Section 8 Housing assistance was only valid for the City of Warwick not the City of Cranston where the house was located. The tenant was unable to pay any of the rent and Complainant begin eviction proceedings against him.

7. Complainant reported that she relied upon the initial recommendation of Respondent in leasing the property to the tenant and had she known the Section 8 Housing assistance was not transferrable to a different city would not have rented to the tenant. Complainant also stated that Respondent failed to include the name of the tenant on the lease but had included children and others.

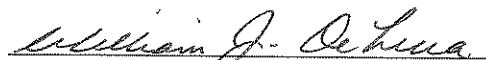
8. The Department's position is that Respondent failed to properly conduct a suitable background check before making the initial recommendation to the Complainant. She should have known the rules and regulations involved in Section 8 housing assistance including the non-transferable nature of the funds and failed to prepare the lease in a proper manner with the tenant's name. Respondent violated R.I. Gen. Laws § 5-20.5-14(20) by demonstrating bad faith, dishonesty, untrustworthiness or incompetence during this transaction.


9. In an effort to effect a timely and amicable resolution of the concerns raised in this Consent Agreement, the Respondent agrees to pay an administrative penalty in the amount of two thousand (\$2,000.00) dollars, payable to the "General Treasurer, State of Rhode Island," upon the execution of this document.

10. By agreeing to enter into this Consent Agreement, Respondent knowingly and voluntarily waives any right to an administrative hearing and waives any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Acts, R.I. Gen. Laws § 42-35-1, *et seq.*

11. If Respondent fails to comply with any term or condition of this Consent Agreement, Respondent will be in violation hereunder and the Department shall be entitled to immediately to take enforcement or other action in accordance with applicable law, including, but not limited to: revocation, suspension, and/or any such additional administrative penalties that the Department deems appropriate. In accordance with R.I. Gen. Laws § 42-35-9, Respondent shall be provided with notice and an opportunity for a hearing if the Department initiates the administrative hearing process.

CONSENTED TO AS TO FORM AND SUBSTANCE BY:


William J. DeLuca
Real Estate Administrator
Department of Business Regulation


Carole M. Scaralia
Respondent

Date: 2/26/2020

Date: 2-26-20