

Agency for Property Managers

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COMMONWEALTH of VIRGINIA
Department of Professional and Occupational Regulation

Terence R. McAuliffe
Governor

June 22, 2016

Maurice Jones
Secretary of
Commerce and Trade

Jay W. DeBoer
Director

Dear Licensee,

Two matters recently came to the attention of the Real Estate Board (the board) which it feels are important issues about which licensees need to know. As a result, the board asked staff to provide all licensees with the following information.

First, there seems to be confusion regarding a licensee's ability to work when his license is expired because the License Look-up feature on the Department of Professional and Occupational Regulation's (DPOR) website shows a person as active and expired for the first thirty days after license expiration. The board's law and regulations make it clear a person shall not engage in real estate activities which require a license with an expired license. While a licensee has thirty days past license expiration to meet the renewal requirements without having to pay a reinstatement fee, the license is expired and an individual does not hold a valid current license. Regulation 18 VAC 135-20-140.D states "A licensee may not perform activities defined in §§ 54.1-2100 and 54.1-2101 of the *Code of Virginia* with an expired license. Any real estate activity conducted subsequent to the expiration may constitute unlicensed activity and be subject to prosecution." (Also see §§ 54.1-2106.1 and 54.-2107 of the *Code of Virginia*) In short, there is NO grace period in which a licensee may practice real estate with an expired license.

Second, the 2016 General Assembly amended §§ 54.1-2132 and 54.1-2134 of the *Code of Virginia* by adding subsections clarifying the need for written brokerage agreements in order to just show properties. The new language states in part nothing in the chapter shall be construed to require a written agreement between a licensee and a prospective buyer/tenant to be executed prior to the licensee's showing properties to the prospective buyer/tenant. The board wants to provide information on what showing properties may entail.

Showing properties to a prospective buyer/tenant is not merely opening the door and leaving the person(s) unsupervised in the property. Showing a property includes but is not limited to taking the prospective buyer/tenant to the property, walking the individual(s) through the property, and responding to questions or providing information that is of public record; or is included in the listing agreement or description of the property; or does not involve the opinion of, or the use of discretion or judgment by the licensee.

Sincerely,

Real Estate Board