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PROPERTY DISCLOSURE INFORMATION

Real estate brokerage involves a lot of paperwork, checklists and information that is conveyed via ever-expanding technology. Successful brokerage requires that licensees develop and practice attention to detail in all facets of the job. Buyers and sellers rely upon the accuracy of the information that is being provided to them by real estate licensees. When forms (purchase and sale agreements, representation agreements, property disclosure information, etc.) are prepared inaccurately or incompletely the buyer or seller may suffer the consequences. Carelessness erodes consumer confidence.

According to Commission rules, listing licensees are responsible for obtaining information necessary to make required property disclosure information available, in writing, to prospective buyers prior to or during preparation of offers. As a “living document,” the property disclosure information should be periodically reviewed and updated to reflect any changes that have occurred at the property.

Our investigations of consumer complaints have found numerous instances of incomplete or inaccurate property disclosure information. In some cases, questions on the disclosure form that should have been answered were left blank or were answered “unknown” or “n/a” when the correct answer was available and should have been included. To be clear, it is permissible to indicate “unknown” or “not applicable (N/A)” if the licensee is truly unable to obtain the information, or if the question does not pertain to the property.

In other instances, the information provided was vague (e.g. “*see deed*”) or just plain **wrong!**

Bank-owned or foreclosure properties are not exempt from disclosure requirements. Licensees must make a reasonable effort to obtain the information necessary for accurate and complete property disclosure information.

Whatever forms your agency has elected to use, they must be completely and legibly filled out. There should be no blanks, or unchecked answer boxes, on a property disclosure information form that is provided to a prospective buyer.

If aware of a material defect, it must be disclosed in the written property disclosure information. Although not defined in the Real Estate Brokerage Act, the term was explained in a previous core course as “a physical condition of the property that is significantly adverse.” If you are not sure if a noted condition is a material defect – consult with your designated broker!

NEW CORE COURSES ARE AVAILABLE

Make sure you understand the continuing education requirements for your license type and **DO IT RIGHT!** In 2018, audits of license renewal applications resulted in more than 30 disciplinary actions for licensees who failed to comply with continuing education requirements. These licensees paid fines and some had their licenses suspended for 30 days or more.

Designated Brokers with a license expiration date prior to April 1, 2019, and who renew their license prior to that date, may fulfill their core course requirement with either “*Core Course for Designated Brokers – 2*” or “*Core Course for Designated Brokers – 3*.”

Brokers and Associate Brokers with a license expiration date prior to April 1, 2019, and who renew prior to that date, may fulfill their core course requirement with either “*Core Course for Brokers and Associate Brokers – 2*” or “*Core Course for Brokers and Associate Brokers – 3*.”

If your license expiration date is prior to April 1, 2019, but you don’t renew until April 1st or later, you must complete the NEW core course appropriate for your license type (either “*Core Course for Brokers and Associate Brokers – 3*” or “*Core Course for Designated Brokers – 3*”).

If your license expiration date is April 1, 2019 or later, you must complete the NEW core course appropriate for your license type (either “*Core Course for Brokers and Associate Brokers – 3*” or “*Core Course for Designated Brokers – 3*”), **REGARDLESS** of when you renew.

BEFORE YOU RENEW:

- Review your course completion certificates. Make sure that you have completed at least 21 hours of approved continuing education, including the correct core course.
- Visit the Commission’s website and review the information available there:
http://www.maine.gov/pfr/professionallicensing/professions/real_estate/index.html
- If you have not completed the required continuing education requirements and your license is about to expire, or already has, you should speak to your designated broker or call the Commission staff for guidance before renewing.

NOTE: Commission members recently voted to raise the minimum fine for a CE violation from \$500 to \$750.