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COMMISSION CHECK IN



The Real Estate Commission prepared this information to provide an overview of common violations. This is an example only, as different facts in a case may result in a different outcome.

Question

Mr. and Mrs. Walker work with Salesperson Cindy. The Walkers are ready to sign an offer on a new home listed for sale in Topeka, Kansas. Salesperson Cindy reminds the Walkers that there will be closing costs and recommends they speak to a lender to calculate the amount. The Walkers agree and sign the offer. The offer is presented to the seller's agent from a different brokerage and the seller accepts the offer.

A few days later, the Walkers meet with their lender. The lender provides the Walkers with the approximate amount of closing costs. The Walkers are fine with the closing costs and move forward to closing.

Did Salesperson Cindy comply with Kansas law?

Answer

No. Kansas law requires licensees to provide the approximate amount of closing costs to the buyer at the time the offer is made and the seller at the time the offer is presented.

In the scenario above, Salesperson Cindy should have provided the Walkers with the approximate amount of the closing costs when the offer was made. Salesperson Cindy violated K.S.A. 58-3062(a)(16).

K.S.A. 58-3062(a)(16) states, "No licensee, whether acting as an agent, transaction broker or a principal, shall: fail to inform both the buyer, at the time an offer is made, and the seller, at the time an offer is presented, that certain closing costs must be paid and the approximate amount of such costs."