

October 2019

COMMISSION NEWS



Newsletter from the Kansas Real Estate Commission

KREC.KS.GOV

krec@ks.gov
(785) 296-3411

Jayhawk Tower
700 SW Jackson St
Suite 404
Topeka, KS 66603

Upcoming Commission Meetings

October 21

Meetings are open to the public and located at the Commission office in Topeka.

If you plan to attend, please call the office to confirm the date, time, and location. Click [here](#) for more information.

Licenses must be renewed every two years.

Check your expiration date [here](#).

What Happens to Your Listing When You Leave a Brokerage?

Any listing and pending transactions stay with the supervising broker when a licensee leaves the brokerage. When a licensee initially enters into a brokerage relationship with a client or customer, the licensee is doing so on behalf of the supervising or branch broker. The broker owns the agreements. Only if the broker agrees and obtains written permission from the seller, may the listing transfer to the new brokerage.

A licensee may ask, "But, can I tell my listing clients I am moving to another company and give them my new contact information?"

No. The salesperson or associate broker should not have any communication concerning this information with the client or customer in the transaction. The broker of the firm should contact the listing clients and customers concerning cancellation of the agreement or a re-assignment of a different listing agent.

If the salesperson or associate broker communicates with a client or customer and then asks the broker to be released from their written agreement, disciplinary action may be taken against the salesperson or associate broker. A licensee may communicate with the parties that were previously clients or customers once a brokerage relationship has ended.

The "transfer" process is actually a deactivation from one company and a reactivation to another. To activate the affiliation under the new company, submit the **REL-300 form** to KREC with the \$15 fee.

Visit Us in Wichita!

The Commission is hosting a booth at the **Kansas Association of REALTORS 2019 Annual Conference & Expo** in Wichita on October 7 and 8. Commission staff look forward to visiting with Kansas REALTORS. Stop by our table to grab new resources and ask questions. A computer will be available to help create or edit EGov accounts.

Commission Members

Bryon Schlosser, Chair, 2nd District
Joseph Vaught, Vice Chair, 3rd District
Errol Wuertz, 1st District
Sue Wenger, 4th District
Connie O'Brien, Member at Large

Erik Wisner, Executive Director
Laura Kelly, Governor

Award-Winning Tools



We are excited to announce the **Kansas Real Estate Alexa skill** and the Commission Newsletter were both awarded during the Award-Winning Ideas session at the 2019 **ARELLO®** Annual Conference in Denver!

ARELLO® brings regulators together to promote excellence in real estate regulation.

Transaction Broker Basics

by Wendy Alkire | Director of Compliance

Under the Kansas Brokerage Relationships in Real Estate Transactions Act (BRRETA), licensees engaged as agents and transaction brokers must disclose material defects they are aware of, advise consumers to obtain expert advice for material matters beyond the expertise of the licensee, and account in a timely manner for all money and property received. But, assisting a consumer as a transaction broker is different than assisting as an agent.



When assisting with residential real estate, a licensee engaged as a transaction broker cannot disclose the following without the consent of all parties:

- ⇒ The buyer or tenant is willing to pay more than the purchase price or lease rate offered for the property.
- ⇒ The seller or landlord is willing to accept less than the asking price or lease rate for the property.
- ⇒ Motivating factors for any party buying, selling or leasing the property.
- ⇒ The seller, buyer, landlord or tenant will agree to financing terms other than those offered.
- ⇒ Any information or personal confidences about a party to the transaction which places the other party at an advantage (unless disclosure is required by law or constitutes fraudulent misrepresentation).

In commercial real estate transactions, a transaction broker can disclose the above five items unless prohibited by the parties.

A transaction brokerage agreement can be in writing or verbal, but an agency agreement is required to be in writing. Keep in mind, there are times a transaction broker relationship may not be appropriate. For example, if a licensee is a principal in the transaction.

When discussing brokerage relationship options with consumers, make sure the consumer understands what duties, obligations, and responsibilities are required under each type of relationship. This will allow the consumer to make the appropriate choice to meet their needs.

For more information about transaction brokerage, see [K.S.A. 58-30,113](#).

Disciplinary Actions

Below are disciplinary actions with effective dates of August 15, 2019 or later with respect to revocations, suspensions, and aggregate fines of greater than \$500. A licensee is listed twice if they received more than one action (i.e. suspension and fine).

Docket Number	Last Name	First Name	License Number	Violation	Legal Action	Effective Date
19-7789	Colvin	Chris	00241956	Failure to Comply with Commission Directive	License Suspended	9/23/19
19-7622	Kelso	Jerry	00018265	BRRETA	Fine	8/19/19
20-8004	Lenger	Ann	00217440	Prohibited Act	Fine	9/23/19
19-7623	Morse	Dannie	00235718	BRRETA	Fine	8/19/19
19-7567	Oliver	Jeremy	00237810	Misrepresentation on Application	License Revoked	9/19/19
19-7683	Terrell	Cory	00235563	BRRETA	Fine	8/19/19