

December 2019

# COMMISSION NEWS

Newsletter from the Kansas Real Estate Commission



## KREC.KS.GOV

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Topeka, KS 66603

### Next Commission Meeting

### January 6

A public hearing will be conducted to consider the adoption of proposed regulations. The proposed regulations are available [here](#).

### Commission Members

**Bryon Schlosser**  
Chair, 2<sup>nd</sup> District

**Joseph Vaught**  
Vice Chair,  
3<sup>rd</sup> District

**Errol Wuertz**  
1<sup>st</sup> District

**Sue Wenger**  
4<sup>th</sup> District

**Connie O'Brien**  
Member at Large

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**Erik Wisner**  
Executive Director

**Laura Kelly**  
Governor

## What Happens When A License Expires?

Licensees **must stop performing activities** that require a license after a license expires. The supervising or branch broker is also responsible to ensure activities cease.

**If the supervising or branch broker's license expires**, another broker may be appointed using the **REC-450 Supervising Broker Change Form**. Otherwise, the company must close, and any affiliated licensees must move to another company or change to inactive status by submitting the **REL-300 License Change Form**. If the form is not submitted, KREC will automatically deactivate the license of the affiliated licensee. Per K.S.A. 58-3084, pending closings must be finalized by another broker, an attorney, a financial institution, or an escrow company after written approval is obtained from the parties to the transaction.

A license may be renewed on active or inactive status up to six months after the expiration date with a **\$100 late fee** in addition to the renewal fee. If the license is not renewed, original license requirements and a new license application must be completed.



## Auctioneers and Real Estate Licenses

KREC often receives questions about licensing requirements for auctioneers. Unless exempt, a Kansas real estate license is required to be an auctioneer of real property in Kansas. An unlicensed person is not allowed to point out bidders during an auction.

Per K.S.A 58-3035 and 58-3036, a Kansas real estate license is required to auction or offer, attempt or agree to auction real estate or assist an auctioneer by procuring bids at a real estate auction. Exemptions are listed under K.S.A. 58-3037.

K.S.A. 58-30,110 states that a licensee is required to provide a prospective buyer or seller with the BRRETA brochure at the first practical opportunity. However, a licensee is exempt from this requirement when the transaction is regarding the sale of property by public auction.

## Broker Announcement

Effective January 1, 2020, broker applicants must complete a 30-hour Broker Management course in addition to the 30-hour Broker Fundamentals course. See **Broker License Requirements** for more information. The Commission must receive the license application and course certificate within six months of the course or exam date, whichever is sooner.

## Missing or Incorrect BRRETA Disclosures

by Kiereon Sisney | Real Estate Specialist/Auditor

The Brokerage Relationships in Real Estate Transactions Act (BRRETA) includes many disclosure requirements. Some of the most common violations we cite while reviewing brokers transaction files are missing or incorrect BRRETA disclosures in purchase contracts. According to BRRETA, every executed purchase contract must include:



- The disclosure of the brokerage relationship between all licensees involved and the seller and buyer, per K.S.A.58-30,110(c).
- Acknowledgment the [BRRETA brochure](#) has been furnished to the buyer and seller, per K.S.A. 58-30,110(a)(4).
- Verbatim statutory language for information regarding registration of a person convicted of crimes (K.S.A. 58-3078) and radon (K.S.A. 58-3078a).

If your standard purchase contract does not include these required disclosures or you need the correct language for registered offenders and radon, you can find them on the [Required Statutory Disclosures Addendum Form](#) located on the KREC website.

## Useful Kansas Resources

### 2020 Kansas Housing Market Forecast

Each year, the Center for Real Estate at Wichita State University produces the [Kansas Housing Markets Forecast Series](#). This excellent resource is available to anyone with interest in the field of real estate. A forecast is available for the Kansas City, Lawrence, Manhattan, Topeka, and Wichita areas. Housing Market Outlooks are also available for many of the smaller markets across Kansas.

The Center for Real Estate also has a [YouTube channel](#) with presentations that Dr. Stanley Longhofer makes in the community. Subscribe to their channel to keep up with the latest on real estate markets across Kansas.

### Title Insurance Brochure

Earlier this year, the Kansas Department of Insurance published an updated brochure, [Title Insurance for Real Estate](#). The two-page publication describes types of title insurance, as well as how to buy it. This helpful resource for consumers can be found in the publications list at [ksinsurance.org](#).

### Kansas Radon Program

The Kansas Radon Program at Kansas State University makes available several resources to assist buyers and sellers with radon detection and mitigation. A Quick Fact Sheet, test kits, and list of certified technicians are just a few of the useful items available at [kansasradonprogram.org](#).

## Supervising Broker or Team Leader: Who is in Charge?

The supervising or branch broker is responsible for supervision of all affiliated licensees including any team leaders and team members. A supervising broker may delegate certain responsibilities, but is ultimately responsible for the brokerage and may be held accountable for violations committed by affiliated licensees, including team leaders or team members.

A licensee or consumer could confuse a team leader as the supervising broker when they possibly are not. The [Company Search page](#) is available to find the responsible broker of a company.