

**DEPARTMENT OF CONSUMER PROTECTION**  
**Real Estate Regulations**  
**Regulations of Connecticut State Agencies (2012)**

**Passing Scores on Examinations for Real Estate  
Broker's License and Real Estate Salesman's License**

**Sec. 20-314-1. Passing score to attain real estate broker's license**

A score of at least 75% must be attained by an applicant in order to pass the personal written examination for a Real Estate Broker's license given by the Department of Consumer Protection or a national testing service.

(Effective April 27, 1983)

**Sec. 20-314-2. Passing score to attain real estate salesman's license**

A score of at least 70% must be attained by an applicant in order to pass the personal written examination for a Real Estate Salesman's license given by the Department of Consumer Protection or a national testing service.

(Effective April 27, 1983)

**Sec. 20-314-3.** Repealed, May 18, 1994.

**Real Estate Licensing**

**Sec. 20-314a-1. School approval procedure**

(a) Each school desirous of offering approved real estate courses shall submit a formal filing of each course seeking approval with the real estate commission. Approved courses shall not be held on the premises of a real estate brokerage office, real estate franchise or appraiser's office.

(b) Each school seeking approval of its real estate broker's courses shall offer to the general public at least the three courses required to meet the minimum broker's qualification. These shall include, but not be limited to the following:

(1) A real estate principles and practices course consisting of not less than sixty classroom hours of study,

(2) real estate appraisal I, entitled residential real estate appraisal, consisting of at least thirty classroom hours of study, and

(3) A real estate course consisting of at least thirty classroom hours of study approved by the commission.

(Effective May 18, 1994; amended February 4, 2004)

### **Sec. 20-314a-2. Course filing requirements**

The filing for each course shall include, but not be limited to the following: (1) detailed course outline, (2) instructors' lecture guidelines, (3) copy of text and related teaching materials, (4) copy of final examination, (5) copy of any quizzes, (6) grading system, (7) copy of affidavits and certificates to be issued, (8) copy of all proposed advertising and publicity, (9) seminars and indoctrination attended by instructors, (10) locations of all classrooms, (11) names and addresses of all instructors to be used.

(Effective November 29, 1978)

### **Sec. 20-314a-3. Instructor approved**

Each request for the approval of an instructor shall be made in writing together with a resume of the individual setting forth specific real estate education and experience. Instructors shall possess the following minimum qualifications:

(1) Five years of experience as a practicing broker or a professional designation from an institute or society in the field the proposed instructor wishes to teach, or

(2) Experience in teaching a course in a formal education program or attendance at an accredited college or university extension instructors seminar. For collegiate level courses in degree programs, the instructor should have teaching experience plus a master's degree in an appropriate field or such other combination of qualifications as the commission may approve.

(Effective November 29, 1978)

### **Sec. 20-314a-4. Principal and practice course**

The real estate principles and practice course shall consist of a minimum of sixty hours of classroom instruction and shall include, but not be limited to the following subject matter:

- (1) real estate law,
- (2) brokerage,
- (3) Connecticut real estate licensing laws and regulations,
- (4) equal opportunity in housing,
- (5) real estate valuation,
- (6) financing,
- (7) specialized fields of real estate practice,
- (8) development,
- (9) land use regulations,
- (10) taxation,

- (11) market analysis,
- (12) the real estate business.

(Effective November 29, 1978; amended February 4, 2004)

#### **Sec. 20-314a-5. Appraisal I course**

(a) The real estate appraisal I course, entitled residential real estate appraisal, shall consist of a minimum of thirty hours of classroom instruction and shall include, but not be limited to, the following subject matter: (1) nature of appraisals and appraising, (2) nature and principles of real estate value, (3) the appraisal framework, (4) region, neighborhood and site analysis, (5) improvements analysis, (6) site valuation, (7) direct sales comparison, (8) gross rent multiplier analysis, (9) cost analysis, (10) correlation and final value estimate, (11) appraisal report writing, and (12) professional ethics and standards of practice for appraisers.

(b) The real estate appraisal II course, entitled income-producing real estate appraisal, shall consist of a minimum of thirty hours of classroom instruction and shall include, but not be limited to, the following subject matter: (1) income capitalization approach, (2) income expectancy, (3) relationship of income and value, (4) analysis of market evidence, (5) direct capitalization, (6) mathematics of finance and compound interest tables, (7) lease interests, (8) mortgage equity capitalization, (9) internal rate of return, (10) discounting procedures, (11) cash flow analysis, and (12) ethics and professional standards.

(Effective July 19, 1990)

#### **Sec. 20-314a-6. Related courses**

All related courses seeking approval shall consist of a minimum of thirty hours of classroom instruction and include, but not be limited to the fundamentals expected to be obtained from such course. Said course content shall be approved on an individual basis.

(Effective November 29, 1978)

#### **Sec. 20-314a-7. Advertising guidelines**

All schools advertising approved courses shall comply with the following guidelines:

- (1) All advertising materials shall be submitted prior to publication,
- (2) All advertising and notices shall tell the truth and reveal significant facts, the concealment of which would mislead the public,
- (3) Advertisers and their agents shall be willing to provide substantiation of claims made,
- (4) All advertising and public notices shall be free of statements, illustrations or implications which do not enhance the dignity and integrity of the real estate profession,
- (5) All facilities offering services shall refrain from attacking competitors unfairly or disparaging their services or methods of operations,

(6) All advertising and written or oral statements shall avoid the use of exaggerated or unprovable claims and misrepresentations. In discussing the student's possible or potential economic future in the field of real estate only reasonable claims may be made,

(7) No unfounded guarantee shall be offered. All notices shall clearly and conspicuously disclose the full nature of services offered,

(8) False or misleading claims as to tuition and other course costs shall be clearly avoided,

(9) Material containing testimonials shall be clearly limited to those individuals reflecting their own personal experiences,

(10) In any advertising all schools are to refrain from using the wording "Approved by the Connecticut Real Estate Commission." The following wording may be used: "This course meets the minimum requirements as set forth by the real estate commission,"

(11) The size of type setting forth the wording in item 10 of this section no larger than the smaller type used in the advertisement,

(12) All locations where courses are offered must be submitted to the real estate commission for prior approval.

(Effective November 29, 1978)

#### **Sec. 20-314a-8. Affidavit or certificate requirements**

No affidavit or certificate of successful completion of an approved course of study in real estate shall be issued to any student unless said student shall have first attended a minimum of thirty hours of classroom instruction, except in the case of principles and practice, where attendance shall be a minimum of sixty hours, and shall have achieved a passing numerical grade of at least 70% on a final examination. Each school shall issue an affidavit to the student in such form as may be adopted by the school attesting to the required minimum attendance, dates of attendance, school code and final numerical grade for the course. Said affidavit is to be signed by an authorized official of the school.

(Effective November 29, 1978; amended February 4, 2004)

#### **Sec. 20-314a-9. Course approval by commission**

Each school conducting an approved course shall, at least ten days prior to the first scheduled session of each course, submit to the commission a schedule of the dates, hours, locations, advertising and instructors for each course to be offered. No courses shall commence or be advertised as approved nor shall an instructor be used in the classroom without prior written approval of this commission. There shall be no change or alteration in any approved course or instructional staff without prior written notice and approval of the commission.

(Effective November 29, 1978)

#### **Sec. 20-314a-10. Records**

All schools conducting approved courses shall keep and retain complete records of student attendance and grades for a period of at least three years after the completion of each course and such records shall be available for inspection by the commission.

(Effective November 29, 1978)

#### **Sec. 20-314a-11. Commission visits**

The commission may, without prior notice, visit the school and observe the instruction given to insure proper standards as to method and content of any approved courses.

(Effective November 29, 1978)

### **Continuing Education for Real Estate Brokers and Salesmen**

#### **Sec. 20-319-1. School and course approval**

(a) Each school, institution or organization desirous of offering courses of real estate continuing education shall submit a formal filing for each course for which approval is sought to the Connecticut Real Estate Commission.

(b) The filing for each course shall include, but not be limited to, the following:

- (1) detailed course outline;
- (2) instructors' lecture guidelines;
- (3) copy of text and/or related teaching materials;
- (4) copy of affidavits and certificates to be issued by the school, institution or organization upon completion of the course other than that prescribed by the commission,
- (5) copy of all proposed advertising;
- (6) locations of all classrooms, unless the course is a distance education course;
- (7) names and addresses of all instructors to be used; and
- (8) tuition and other related costs.

(c) No course of less than three (3) hours will be approved.

(d) No distance education course shall be permitted, unless such course has received a distance education certification from the association of real estate license law officials (Arelllo).

(e) Each school, institution or organization shall submit an updated course filing containing any changes from the previous offering within each two (2) year period from original approval date.

(Effective June 29, 1984; amended February 4, 2004)

#### **Sec. 20-319-2. Notification of course offering and locations**

(a) Each school, institution or organization conducting an approved course shall, at least ten (10) days prior to the first scheduled session of each course submit to the commission a schedule of the dates, hours, locations, tuition fees and instructors for each course to be offered. No courses shall commence or be advertised as approved, without prior written approval of the commission. There shall be no change or alteration in any approved course without prior written notice and approval of the commission. Course approval may be withdrawn for failure to comply with the provisions of Sections 20-319-1 through 20-319-9 of the Regulations of Connecticut State Agencies.

(b) Identification of all locations where courses are offered must be submitted to the Connecticut Real Estate Commission for prior approval. Each course of study, except distance education courses, shall be offered in a classroom or other facility which is adequate to implement the offering. Approved courses shall not be held on the premises of a real estate brokerage office or real estate franchise. Classroom locations shall be approved by the local Fire Marshal for such use.

(Effective June 29, 1984; amended February 4, 2004)

### **Sec. 20-319-3. Course content**

(a) The contents of continuing education programs shall consist of current real estate licensing laws and practices that are broad-based and essential to the role of a real estate general practitioner as he or she acts in the best interests of the consumer. These contents shall directly relate to real estate principles and practices such as described in the Connecticut Real Estate Licensing Laws and Regulations and any overview text on real estate principles and practices or to new developments in the field for which licensees have a demonstrated need.

(b) Real estate brokers and salespersons shall take courses consisting of at least twelve (12) classroom hours in each two (2) year continuing education period.

The following course shall be mandated unless otherwise directed by the real estate commission:

One course consisting of at least three (3) classroom hours in current real estate and fair housing legislation, licensing laws and regulations.

(c) The commission shall not approve offerings in mechanical office and business skills such as typing, speed-reading, memory development, personal motivation, salesmanship, sales psychology, nor sales promotions or other meetings held in conjunction with the general business of a salesperson's broker. Generally acceptable courses may include, but shall not be limited to:

- (1) Fair Housing Laws;
- (2) Ethics;
- (3) Finance;
- (4) Appraisal;
- (5) Management;

- (6) Planning and Zoning;
- (7) Securities and Syndications;
- (8) Investment Analysis;
- (9) Common Interest Ownership;
- (10) Interstate Land Sales;
- (11) Taxes and Liens;
- (12) Title Closing;
- (13) Real Estate Documents; and
- (14) Real Estate Math.

(d) Courses completed prior to certification by the Connecticut Real Estate Commission may not qualify for continuing education Hours.

(e) Continuing education hours shall not be approved more than once for completing the same course within each two (2) year continuing education period.

(Effective May 18, 1994; amended April 1, 1997, June 5, 2002)

#### **Sec. 20-319-4. Advertising**

All schools advertising courses shall comply with the following requirements:

- (a) All advertising materials shall be submitted to the commission prior to publication;
- (b) All advertising and notices shall not be deceptive or misleading and shall reveal significant facts, the concealment of which would mislead the public;
- (c) Advertisers and their agents shall substantiate claims made in an advertisement upon request of the commission;
- (d) All advertising and written or oral statements shall avoid the use of exaggerated or unprovable claims and misrepresentations. In discussing the student's possible or potential economic future in the field of real estate, only reasonable claims may be made;
- (e) No unfounded guarantee shall be offered. All notices shall clearly and conspicuously disclose the full nature of services offered;
- (f) False or misleading claims as to tuition and other course costs are prohibited;
- (g) Material containing testimonials shall be clearly limited to those individuals reflecting their own personal experiences;
- (h) In any advertising all schools are to refrain from using the wording "Approved by the Department of Consumer Protection/Real Estate Commission" or other like wording. The following wording may be used: "This course meets the minimum requirements as set forth by the Department of Consumer Protection/Real Estate Commission"; and
- (i) The size of type setting forth the wording in item (h) of this section shall be no larger than the smaller type used on the advertisement.

(Effective June 29, 1984)

**Sec. 20-319-5. Records**

(a) All schools, institutions or organizations conducting approved courses shall keep and retain complete records of student attendance and evidence of completion for a period of at least four (4) years after the completion of each course. Such records shall be available for inspection by the commission. Upon satisfactory completion of any approved course, a certificate, as prescribed by the commission, will be furnished by the school, institution or organization to the student.

(b) The burden of proof of completion of each course shall be upon the licensee. Documentation of such courses shall be submitted in such manner and at such times as prescribed by the commission.

(Effective June 29, 1984)

**Sec. 20-319-6. Equivalent continuing education experience and study**

(a) Courses approved by the Connecticut Real Estate Commission pursuant to sections 20-314a-4, 20-314a-5 or 20-314a-6 of the regulations may be deemed equivalent for purposes of continuing educational study.

(b) Any other continuing educational courses taken by the licensee shall be considered by the commission on an individual basis. Evidence of such courses must be submitted 90 days prior to the end of each two (2) year continuing education period.

(c) Instructing an approved continuing education course or courses taught pursuant to sections 20-314a-4, 20-314a-5 or 20-314a-6 of these regulations shall be deemed equivalent for purposes of continuing educational experience. Continuing education credit for such instruction shall not be accepted by the Connecticut Real Estate Commission if for less than three (3) hours. Continuing education hours shall not be approved more than once for instructing the same course within each two (2) year continuing education period.

(Effective June 29, 1984; amended February 4, 2004)

**Sec. 20-319-7. Written exam**

The written exam option as provided by section 20-319 (a) (2) of the General Statutes will be conducted by either the Department of Consumer Protection or a national testing service at the time, place and dates prescribed by the department or such national testing service. Such exam will cover current real estate practices and licensing laws.

(Effective June 29, 1984; amended February 4, 2004)

**Sec. 20-319-8. Hardship**

Upon appropriate showing of a bona fide health, or other individual hardship, the commission may consider an exception to the continuing education requirements as set forth in section 20-319 of the General Statutes.

(a) Loss of income resulting from cancellation of a license is not a bona fide hardship.

(b) Requests for exceptions shall be submitted in writing not less than 60 days prior to the date of license renewal and shall include an explanation and verification of the hardship.

(c) Exceptions may include but not be limited to:

(1) individuals serving in military service; and

(2) individuals who are physically handicapped which handicap prohibits them from sitting for an exam or attending courses.

(Effective June 29, 1984; amended February 4, 2004)

#### **Sec. 20-319-9. Hearings on denial of school or course approval**

(a) Upon the refusal of the commission to approve a school, institution or organization for the offering of continuing education courses or a particular course or upon the decision of the Connecticut Real Estate Commission to withdraw such approval, the commission shall notify the applicant of the denial and of his right to request a hearing within ten (10) days from the date of receipt of the notice of denial.

(b) In the event the applicant requests a hearing within such ten (10) days, the commission shall give notice of the grounds for his refusal and shall conduct a hearing concerning such refusal in accordance with the provisions of Chapter 54 of the General Statutes concerning contested matters.

(Effective June 29, 1984)

### **Fees Charged by Real Estate Brokers and Salesmen**

#### **Sec. 20-325c-1. Definitions**

As used in Sections 1 to 5, inclusive, of these regulations:

(a) "Buyer" means any buyer of residential real property.

(b) "Broker" means any real estate broker or real estate salesman as defined in section 20-311 of the Connecticut General Statutes and any person affiliated with such real estate broker or salesman.

(Effective May 17, 1990)

#### **Sec. 20-325c-2. Scope of regulations**

Any fee, commission or other valuable consideration received by a broker for negotiating, soliciting, arranging, placing or finding a first mortgage loan for a buyer of residential real property, which is in addition to the consideration received by such broker for the sale of such property, shall be in accordance with these regulations.

(Effective May 17, 1990)

**Sec. 20-325c-3. Written agreement**

Prior to the accrual of any charges for mortgage brokering services performed by a broker on behalf of a buyer, the broker and buyer shall execute a written agreement. The terms of the agreement, in addition to any disclosures required by law, shall include, but not be limited to, the amount, term and type of first mortgage loan that the buyer seeks to obtain, the maximum rate of interest and number of points that a buyer would pay, an approximate loan closing date, the hourly rate upon which the fee, commission, or other valuable consideration to be received by a broker is based and a description of the manner in which any such fee, commission or other valuable consideration will be determined. The agreement shall specify that a buyer who finds a loan without the assistance of the broker or who does not consummate the purchase of the property will not be obligated to pay any consideration to the broker. Amendments to the agreement shall be in writing and signed by the parties.

(Effective May 17, 1990)

**Sec. 20-325c-4. Fee, commission, consideration**

Any fee, commission or other valuable consideration received by a broker for assisting a buyer in obtaining a first mortgage loan shall be based on a reasonable hourly rate. An hourly rate may accrue for any bona fide activity performed by the broker when negotiating, soliciting, arranging, placing or finding a first mortgage loan for a buyer, including, but not limited to, the time spent with the buyer discussing financing options, completing applications, negotiating with prospective lenders, and performing underwriting activities.

(Effective May 17, 1990)

**Sec. 20-325c-5. Itemized invoice required**

The broker shall maintain a written record of the amount of time spent in negotiating, soliciting, arranging, placing or finding a first mortgage loan for a buyer. In addition, prior to the receipt of any fee, commission or other valuable consideration, the broker shall provide the buyer with an itemized invoice of the services rendered, which shall include the hourly rate and the number of hours or fractions thereof spent on each service. A copy of the invoice and written record shall be maintained by the broker for a period of two years from the date of the invoice.

(Effective May 17, 1990)

**Sec. 20-325d-1. Definitions**

For the purposes of Sections 20-325d-1 through 20-325d-7, inclusive, of these regulations, the following terms shall have the meanings indicated:

- (a) "Broker" or "Real estate broker" means "real estate broker" as this term is defined by Connecticut General Statutes Section 20-311(1), as amended;
- (b) "Salesman" or "Real estate salesman" means "real estate salesman" as this term is defined by Connecticut General Statutes Section 20-311(2), as amended;
- (c) "Seller's Agent" or "Agent of the seller" means a real estate broker or real estate salesman who acts in a fiduciary capacity for the prospective seller or prospective lessor in a real estate transaction;
- (d) "Buyer's agent" or "Agent of the buyer" means a real estate broker or real estate salesman who acts in a fiduciary capacity for the prospective buyer or prospective lessee in a real estate transaction;
- (e) "Dual agent" means a real estate broker or real estate salesman who acts in a fiduciary capacity for both the prospective seller or prospective lessor and the prospective buyer or prospective lessee in a real estate transaction; and
- (f) "Licensee" means real estate broker and/or real estate salesman.

(Effective February 22, 1991; amended September 28, 1995)

**20-325d-2. Agency disclosure**

(a) A real estate broker or real estate salesman, when acting as a seller's agent, shall make a written disclosure of whom the brokerage firm and its agents represent to prospective buyers or lessees, unless such prospective buyer or lessee is represented by another real estate broker. A real estate broker or real estate salesperson, when acting as a buyer's agent, shall make a written disclosure of whom the brokerage firm and its agents represent to prospective sellers or lessors, unless such prospective seller or lessor is represented by another real estate broker. The disclosure shall be in one of the following forms:

**Form 1**

**Dual Agency/Designated Agency  
Disclosure Notice and Consent Agreement  
Given to Persons Represented by the Same Brokerage Firm**

Brokerage Firm: \_\_\_\_\_

Property Address: \_\_\_\_\_

Buyer (tenant): \_\_\_\_\_

Seller (landlord): \_\_\_\_\_

The brokerage firm has entered into a written agency relationship with both buyer and seller (or tenant and landlord). Buyer (tenant) is now interested in buying (leasing) seller's (landlord's) property. If this transaction proceeds, the brokerage firm will be a dual agent, since the brokerage firm represents both parties. Connecticut law allows a brokerage firm to be a dual agent, but only after both buyer and seller (or tenant and landlord) understand what dual agency is and consent to it.

**Connecticut law also allows brokerage firms that are dual agents to appoint individual designated agents within their firm to solely represent buyer and seller (or tenant and landlord); again, this designation can only be made after both buyer and seller (or tenant and landlord) understand what designated agency is and consent to it.**

**Both buyer and seller (or tenant and landlord) are free to seek legal and tax advice with regard to this transaction, and with regard to all documents signed in connection with this transaction.**

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### **Understanding dual agency**

Dual agency means that the brokerage firm, and all the brokers and salespersons for the firm (unless designated agency is chosen) act in a fiduciary capacity for both buyer and seller (or tenant and landlord). In dual agency, the brokerage firm does not represent either the buyer or seller (or tenant or landlord) exclusively, and the parties can not expect the brokerage firm's undivided loyalty.

The brokerage firm may not disclose to either the buyer or seller (or tenant or landlord) any personal, financial, or confidential information to the other party except as authorized by either party or required by law. The brokerage firm may not disclose, unless otherwise instructed by the respective party:

- To buyer (tenant) that seller (landlord) will accept less than the asking or listed price;
- To the seller (landlord) that the buyer (tenant) can pay a price greater than the price submitted in a written offer to the seller, unless otherwise instructed to do so in writing by the buyer (tenant);
- The motivation of either buyer or seller (or tenant or landlord) for selling, buying, leasing the property; and
- That buyer or seller will agree to financing terms other than those offered.

### **Dual agency consent**

Buyer and seller (or landlord and tenant) understand dual agency and consent to the brokerage firm acting as a dual agent in this transaction.

### **Understanding designated agency**



**This is not a contract.** Connecticut law requires that you be given this notice disclosing whom the real estate licensee represents. The purpose of such disclosure is to enable you to make informed choices about your relationship with real estate licensees.

Given to: \_\_\_\_\_ (Unrepresented person/persons)  
on \_\_\_\_\_ (date)  
Our firm \_\_\_\_\_ represents  Seller  Landlord  
 Buyer  Tenant

**Unrepresented Person(s)'s Rights and Responsibilities**

1. The brokers and salespersons (referred to as agents or licensees) in this transaction owe the other party to this transaction undivided fiduciary obligations, such as: loyalty, reasonable care, disclosure, obedience to lawful instruction, confidentiality and accountability. The agent(s) must put the other party's interest first and negotiate for the best terms and conditions for them, not for you.
2. All real estate agents, whether representing you or not, are obligated by law to treat all parties to a real estate transaction honestly and fairly.
3. You have the responsibility to protect your own interests. Carefully read all agreements to make sure they accurately reflect your understanding. If you need additional advice for legal, tax, insurance or other such matters, it is your responsibility to consult a professional in those areas.
4. Whether you are a buyer, seller, tenant, or landlord, you can choose to have the advice, assistance and representation of your own real estate brokerage firm and its agents. Do not assume that a real estate brokerage firm or its agents are representing you or are acting on your behalf unless you have contracted in writing with that real estate brokerage firm.

**Acknowledgment of unrepresented person(s) \*  
Acknowledgement of agent**

\_\_\_\_\_  
*Signature(s)*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Print name(s)*

\_\_\_\_\_  
*Print name(s)*

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\* To be signed by the buyer/tenant when the agent represents the seller/landlord, or  
To be signed by the seller/landlord when the agent represents the buyer/tenant

(b)(i) A real estate broker or real estate salesperson, when acting as a dual agent, shall make a written disclosure of dual agency to all parties by using the dual agency consent agreement, Connecticut General Statutes section 20-325g, or the dual agency designated agency disclosure

notice and consent agreement as set forth in the Connecticut regulations concerning designated agency.

(ii) Real estate brokers who represent both buyers and sellers shall disclose the potential for a dual agency situation in their listing agreements and buyer agency agreements.

(Effective February 22, 1991; amended September 28, 1995, June 5, 2002)

**Secs. 20-325d-3 and 20-325d-4.** Repealed, September 28, 1995.

**Sec. 20-325d-5. Time of disclosure**

(a) Any licensee acting as a seller's agent or intending to act as a seller's agent shall give the disclosure required by Section 20-325d-2 of these regulations to the prospective buyer or lessee at the beginning of the first personal meeting concerning the prospective buyer's or lessee's specific real estate needs. The disclosure shall be signed by the prospective buyer or lessee and the broker or salesman, and shall be attached to any offer, binder, option, agreement to purchase or lease. If the prospective buyer or lessee refuses to sign the disclosure, the seller's agent shall note this refusal on the line indicated for the prospective buyer's or lessee's signature.

(b) Any licensee acting as a buyer's agent or intending to act as a buyer's agent shall give the disclosure required by Section 20-325d-2 of these regulations to the seller or lessor or to the seller's or lessor's agent at the beginning of the first personal meeting with the seller or lessor or the seller's or lessor's agent concerning the seller's or lessor's real property. The disclosure shall be signed by the seller or lessor, or the seller's or lessor's agent, and the prospective buyer's agent, and shall be attached to any offer, binder, option, agreement to purchase or lease. If the seller, lessor or seller's or lessor's agent refuses to sign the disclosure, the prospective buyer's agent shall note this refusal on the line indicated for the seller's, lessor's or seller's or lessor's agent's signature.

(Effective February 22, 1991; amended September 28, 1995, June 5, 2002)

**Sec. 20-325d-6. Disclosure by cooperating licensees**

(a) The notices required by Connecticut General Statutes Section 20-325d need only be given once to each prospective seller, lessor, buyer or lessee by a real estate licensee.

(b) Any licensee acting as a cooperating licensee shall be responsible for providing the notice required by Connecticut General Statutes Section 20-325d, unless no cooperating licensee is involved, in which case the seller's or buyer's agent or the dual agent shall be responsible for providing the notice.

(Effective February 22, 1991; amended September 28, 1995)

**Sec. 20-325d-7. Open houses, auctions**

(a) The disclosure to prospective buyers or lessees required by Connecticut General Statutes Section 20-325d need not be given to individuals who attend an open house, provided that:

(1) the licensee, by sign, poster, pamphlet or other similar means, conspicuously discloses the licensee's agency relationship; and

(2) no personal meeting concerning the prospective buyer's or lessee's specific real estate needs is held. If such a meeting is held, the written disclosure shall be given at the beginning of the meeting.

(b) The disclosure to prospective buyers or lessees required by Connecticut General Statutes Section 20-325d need not be given to individuals who attend a real estate auction, provided that:

(1) the licensee, by sign, poster, pamphlet or other similar means, conspicuously discloses the licensee's agency relationship; and

(2) the licensee provides the disclosure to the successful bidder prior to the time a written offer to purchase is executed.

(Effective February 22, 1991; amended September 28, 1995)

### **Residential Property Condition Disclosure Report**

#### **Sec. 20-327b-1. Residential property condition disclosure report**

The following form shall be used by sellers who are required by Section 20-327b of the Connecticut General Statutes to provide a written residential property condition disclosure report to prospective purchasers.

## **Real Estate Brokers and Salesmen**

**Secs. 20-328-1 to 20-328-26.** Repealed, May 18, 1990.

### **Sec. 20-328-1a. Definitions**

For purposes of Sections 20-328-1a through 20-328-10a, the following terms shall have the meanings indicated:

(a) "Blockbusting" means to induce or attempt to induce a person to sell or rent a dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular race, creed, religion, color, national origin, ancestry, sex, familial status, marital status, age, sexual orientation, lawful source of income, learning disability, mental retardation or physical or mental disability, including but not limited to blindness or deafness;

(b) "Broker" or "Real estate broker" means "real estate broker" as this term is defined by Connecticut General Statutes, Section 20-311 (1), as amended;

(c) "Commercial real estate transaction" means "Commercial real estate transaction" as defined in Connecticut General Statutes, Section 20-311(9) as amended;

(d) "Licensee" means "Real estate broker" or "real estate salesman" as these terms are defined by Connecticut General Statutes, Section 20-311 (1) and (2);

(e) "Net listing" means a listing contract in which the broker receives as a commission all excess moneys over and above the minimum sales price agreed upon by the broker and seller;

(f) "Salesperson" or "Real estate salesperson" means "real estate salesperson" as this term is defined by Connecticut General Statutes, Section 20-311 (2); and

(g) "Steering" means to restrict or attempt to restrict, because of race, creed, religion, color, national origin, ancestry, sex, familial status, marital status, age, sexual orientation, lawful source of income, learning disability, mental retardation or physical or mental disability, including but not limited to blindness or deafness, the choices of a person by word or conduct in connection with seeking, negotiating for, buying or renting a dwelling so as to perpetuate, or tend to perpetuate, segregated housing patterns, or to discourage or obstruct choices in a community, neighborhood or development.

(h) "Advertising" means all forms of identification, representation, promotion and solicitation disseminated in any manner and by any means of communication to the public for any purpose related to engaging in the real estate business.

(Effective May 18, 1990; amended September 28, 1995, June 5, 2002, February 4, 2004)

### **Sec. 20-328-2a. Duties to parties**

(a) A licensee shall not undertake to provide professional services concerning a property or its value where the licensee has a present or contemplated interest unless such interest is specifically disclosed to all affected parties.

(b) A licensee shall not acquire an interest in or buy for himself or herself, any member of the licensee's immediate family, the licensee's firm or any member thereof, or any entity in which the

licensee has a substantial ownership interest, property listed with the licensee, without disclosing to the listing owner the licensee's relationship to the prospective buyer or lessee. In selling or leasing property owned by the licensee or in which the licensee has any interest, the licensee shall reveal the extent of his or her ownership or interest to the prospective buyer or lessee.

(c) A licensee accepting an exclusive right to sell or lease listing or an exclusive agency to sell or lease listing shall make a diligent effort to sell or lease the property listed. A licensee who agrees to become an exclusive agent of a prospective buyer or lessee shall make a diligent effort to find a property within the prospective buyer's or lessee's specifications.

(d) No licensee shall submit to an owner a written offer to purchase or lease real property unless either (1) such offer contains the essential terms and conditions of the offer, including the manner in which the purchase is to be financed; or (2) such offer is conditioned upon the later execution of a bond for deed or complete agreement for sale. No licensee shall submit to an owner a written agreement or a bond for deed for the sale of real estate which contains a mortgage contingency clause which conditions the prospective buyer's performance on obtaining a mortgage from a third party unless the contingency clause includes at least the following: (1) the principal amount of the mortgage the prospective buyer must obtain; (2) the time period within which the mortgage commitment must be obtained; and (3) the term of years of the mortgage.

(e)(1) The listing real estate broker shall submit all offers or counter-offers to the seller, owner or lessor as quickly as possible. Unless the listing real estate broker and the seller, owner or lessor agree otherwise, the listing real estate broker shall not be obligated to continue to market the property after an offer or counter-offer has been accepted. After the acceptance of an offer or counter-offer, the listing real estate broker shall advise any other offerors that an offer or counter-offer on the listed property has been accepted.

(2) A licensee acting as the agent of the buyer or lessee shall present all offers or counter-offers to the prospective buyer or lessee as quickly as possible. Unless a licensee acting as the agent of the prospective buyer or lessee and the buyer or lessee agree otherwise, the licensee shall not be obligated to continue to show properties to the prospective buyer or lessee after an offer or counter-offer has been accepted.

(f)(1) All dealings concerning property exclusively listed with an agent shall be conducted with the listing agent, and not the seller, owner or lessor. A licensee may contact the seller, owner or lessor of property exclusively listed with an agent if the listing agent consents to the contact or the licensee, after diligent effort, is unable to communicate with the listing agent or a licensee designated by the listing agent to service the listing in the listing agent's absence.

(2) All dealings concerning a prospective buyer or lessee who is exclusively represented by an agent shall be conducted with the prospective buyer's or lessee's agent, and not with the prospective buyer or lessee. A licensee may contact a prospective buyer or lessee who is exclusively represented by an agent if the agent representing the prospective buyer or lessee consents to the contact or the licensee, after diligent effort, is unable to communicate with the prospective buyer's or lessee's agent or a licensee designated by the buyer's or lessee's agent to service the buyer in the buyer's or lessee's agent's absence.

(g) No signs shall be placed on any property which relate to a real estate transaction without the written consent of the owner or the lessor, or his or her duly authorized agent or fiduciary.

(h) In the sale or lease of property which is exclusively listed with a real estate broker pursuant to an exclusive right to sell or lease listing or an exclusive agency to sell or lease listing, the broker shall cooperate with other real estate brokers upon mutually agreed upon terms when it is in the best interests of the party or parties for whom the broker is acting.

(Effective May 18, 1990; amended September 28, 1995)

**Sec. 20-328-3a. Duty to cooperate with department and real estate commission**

A licensee shall cooperate with department staff if the licensee is contacted in connection with an investigation performed by the Department of Consumer Protection concerning possible violations of real estate statutes or regulations. A licensee shall not make any untruthful or misleading statements in connection with any Department of Consumer Protection or Real Estate Commission investigation or hearing.

(Effective May 18, 1990; amended September 28, 1995)

**Sec. 20-328-4a. Discrimination and fair housing**

(a) A licensee shall neither deny equal professional services to any person nor be party to any plan or agreement to discriminate against a person or persons on the basis of race, creed, color, national origin, ancestry, sex, marital status, age, sexual orientation, lawful source of income, learning disability, mental retardation, mental disability, or physical disability, including, but not limited to, blindness or deafness. A licensee shall not violate any federal or state fair housing statute or regulation.

(b) No licensee shall participate in activities which constitute blockbusting or steering.

(c) A licensee shall place in all listing and buyer agency agreements a statement in the following form: This agreement is subject to the Connecticut General Statutes prohibiting discrimination in commercial and residential real estate transactions (C.G.S. Title 46a, Chapter 814c).

(Effective May 18, 1990; amended November 25, 1991, September 28, 1995)

**Sec. 20-328-5a. Misrepresentation, disclosure and advertising**

(a) A licensee shall not misrepresent or conceal any material facts in any transaction.

(b) No licensee shall misrepresent the actual selling price of real estate to any lender or any other interested party, either verbally or through the preparation of a false sales contract.

(c) A real estate broker shall exercise diligence at all times in obtaining and presenting accurate information in the broker's advertising and representations to the public. No broker shall advertise to sell, buy, exchange, rent or lease the property of another in a manner indicating the offer to sell, buy, exchange, rent or lease such property is being made by a private party not engaged in the real estate business. The real estate broker shall neither advertise without

disclosing the broker's name nor permit any person associated with the broker to use individual names, telephone numbers or mailing addresses, to the exclusion of the name of such broker.

(d) No real estate licensee shall modify or change the listing information of a real estate broker without the express permission of the real estate broker. No real estate licensee shall advertise real estate listed with a real estate broker with whom the real estate licensee is not affiliated without the permission of the listing real estate broker. No real estate licensee shall advertise real estate listed with a real estate broker with whom the real estate licensee is not affiliated without updating such advertising at least once every seventy-two (72) hours. No real estate licensee shall advertise real estate listed with a real estate broker with whom the real estate licensee is not affiliated without identifying that the real estate is not listed with the real estate licensee.

(e) A real estate licensee advertising or marketing on an internet site, owned or controlled by the real estate licensee, shall include on the home page of the site on which the real estate licensee's advertisement or information appears the following data:

- (1) licensee's name and office address as it appears on said licensee's real estate license;
- (2) name of the real estate broker with whom the licensee is affiliated, as that real estate broker's name is registered with the commission;
- (3) all states in which the licensee holds a salesperson or broker license;
- (4) last date on which property information shown on the site was revised.

(f) A real estate licensee using internet electronic communication for advertising or marketing, including but not limited to e-mail, e-mail discussion groups, and bulletin boards, shall include on the first or last page of all communications the following data:

- (1) the licensee's name and office address;
- (2) the name of the real estate broker with whom the licensee is affiliated as that real estate broker's name is registered with the commission;
- (3) all states in which the licensee holds a salesperson or broker license.

(Effective May 18, 1990; amended September 28, 1995, February 4, 2004)

### **Sec. 20-328-6a. Agreements**

(a) (1) Before a licensee attempts to negotiate a sale, exchange, or lease of real estate, other than a commercial real estate transaction, on behalf of the owner or lessor of real estate, the licensee shall enter into a listing agreement with the party or parties for whom the licensee will act. All listing agreements shall be in writing, properly identifying the property and containing all of the terms and conditions of the sale, exchange or lease, including the commission to be paid, the date on which the listing agreement is entered into and its expiration date. The listing agreement shall be signed by the owner, seller or lessor or an agent authorized to act on behalf of the owner, seller or lessor only by a written document executed in the manner provided for conveyances in Connecticut General Statutes, Section 47-5, and by the broker or the broker's authorized agent. The type of listing shall be clearly indicated in the listing agreement. The licensee shall deliver immediately a copy of any listing agreement to any party or parties

executing the same, where such listing agreement has been prepared by such licensee or under the licensee's supervision and where such listing agreement relates to a real estate transaction with which the licensee is associated as a broker or a salesman. For listing agreements entered into on or after October 1, 2004, if the real estate broker permits real estate licensees not affiliated with the real estate broker to advertise the real estate, the real estate broker shall disclose such permission and all exceptions to the advertising on the listing agreement and obtain the owner's or lessor's authorization for such advertising.

(2) Before a licensee attempts to negotiate a purchase, exchange or lease of real estate, other than a commercial real estate transaction, on behalf of a prospective buyer or lessee of real estate, the licensee shall enter into an agency agreement with the party or parties for whom the licensee will act. All agency agreements shall be in writing, containing all of the terms and conditions of the agency agreement, including the compensation to be paid, the date on which the agency agreement is entered into and its expiration date. The agency agreement shall be signed by the prospective buyer or lessee or an agent authorized to act on behalf of the prospective buyer or lessee only by a written document executed in the manner provided for conveyances in Connecticut General Statutes, section 47-5, and by the broker or the broker's authorized agent. The licensee shall deliver immediately a copy of any agency agreement to any party or parties executing the same, where such agency agreement has been prepared by such licensee or under the licensee's supervision and where such buyer agency agreement relates to a real estate transaction with which the licensee is associated as a broker or salesman.

(b) For all instruments other than listing agreements, buyer agency agreements or lessee agency agreements, the licensee, for the protection of all parties, shall use his or her best efforts to assure that all contractual commitments regarding real estate transactions with which the licensee is associated are in writing, dated, and express the agreement of the parties. The licensee shall deliver immediately a copy of any such instrument to any party or parties executing the same, where such instrument has been prepared by such licensee or under the licensee's supervision and where such instrument relates to a real estate transaction with which the licensee is associated as a broker or a salesman.

(c) No licensee shall accept or enter into a net listing. In cases where the owner or the lessor wishes to list in this manner, the agreed upon fee shall be added and listings made in the usual manner.

(d) A licensee attempting to negotiate or negotiating a sale, exchange, or lease of a commercial real estate transaction shall obtain a listing, buyer or tenant representation agreement, memorandum, letter, or other writing stating for whom the licensee will act or has acted, signed by the party for whom the licensee will act or has acted in the commercial real estate transaction, the duration of the authorization and the amount of any compensation payable to the licensee.

(Effective May 18, 1990; amended September 28, 1995, June 5, 2002, February 4, 2004)

### **Sec. 20-328-7a. Deposits**

(a) When a licensee receives a deposit or other moneys with respect to any transaction in which the licensee is engaged on behalf of the real estate broker with whom the licensee is affiliated, the licensee shall promptly pay over the deposit or other moneys to such real estate broker.

(b) Any real estate broker who, in the course of the real estate broker's real estate business and in connection with any transaction, accepts from any principal, client or other person any moneys, to which the real estate broker is not personally and legally entitled, including but not limited to any down payment, earnest money, deposit, rental money or other money to be held by the real estate broker in trust, shall deposit such moneys in an escrow or trust account in a bank doing business in the State of Connecticut unless otherwise required by law.

(Effective May 18, 1990; amended September 28, 1995)

#### **Sec. 20-328-8a. Commissions and compensation**

(a) No licensee shall demand compensation unless reasonable cause for payment of compensation exists.

(b) When an owner, lessor, prospective buyer or lessee wrongfully fails or is unable to consummate a transaction, the real estate broker has no right to any portion of the money, if any, deposited with the real estate broker, even though compensation may have been earned.

(c) While engaging in the real estate business, a licensee shall not accept any commission, rebate, or profit on expenditures made for the licensee's principal, without the knowledge and consent of the licensee's principal.

(d) A licensee shall not accept compensation from more than one party in a real estate transaction without notifying all parties to the transaction prior to the closing.

(e) No licensee shall offer, promise, allow, give, pay or rebate, directly or indirectly, any part or share of the licensee's commission or compensation arising or accruing from any real estate transaction to any person who is engaging in the real estate business and who was not licensed as a real estate broker or real estate salesman at the time the real estate broker or real estate salesman performed the acts or rendered the services for which the licensee offers, promises, allows, gives, pays or rebates such commission or compensation.

(f) If a licensee receives or is awarded any compensation with respect to any transaction in which the licensee is engaged on behalf of the real estate broker with whom the licensee is affiliated, the licensee shall promptly pay over or assign such compensation to such real estate broker.

(g) In a cooperative real estate transaction, a real estate broker shall compensate the cooperating real estate broker and shall not compensate nor offer to compensate, directly or indirectly, any of the real estate salesmen or brokers employed by or affiliated with the cooperating real estate broker without the prior express knowledge and consent of the cooperating broker.

(Effective May 18, 1990; amended September 28, 1995)

#### **Sec. 20-328-9a. Interference with agency or contract relationship**

(a) A licensee shall not engage in any practice or take any action which interferes with the agency relationship of another licensee.

(b) No licensee shall induce or attempt to induce any party to a contract of sale or lease of real property to breach or terminate such contract for the purpose of substituting in lieu thereof a new contract with another principal of the licensee.

(c) No licensee shall induce or attempt to induce an owner or a lessor of property to breach or terminate an exclusive right to sell or lease listing or an exclusive agency to sell or lease listing for the purpose of substituting in lieu thereof a new listing contract. No licensee shall induce or attempt to induce a prospective buyer or lessee to breach or terminate an exclusive representation agency agreement for the purpose of substituting a new exclusive representation agency agreement in lieu thereof.

(Effective May 18, 1990; amended September 28, 1995)

#### **Sec. 20-328-10a. Brokers and salesmen**

(a) Upon termination of a licensee's employment or affiliation with a real estate broker, a licensee shall immediately turn over to such broker any and all information and records obtained during the licensee's employment or affiliation, whether such information or records were originally given by the licensee's broker or copied from the records of such employing broker or acquired by the licensee during the licensee's employment or affiliation with the real estate broker.

(b) Upon the termination of the employment or affiliation of a licensee with a real estate broker, the real estate broker shall give the licensee, within ten days of the date on which the licensee turns over to the real estate broker any and all information and records in accordance with this section, or within forty-five days of said termination, whichever is earlier, a written accounting setting forth all active listing agreements, agency agreements, transactions, commissions and compensation in which the licensee was involved. The accounting required by this subsection shall also include a statement of the commission or compensation, if any, which the real estate broker intends to pay the salesman on account of the active listings, agency agreements, transactions, commissions and compensation in which the licensee was involved.

(Effective May 18, 1990; amended September 28, 1995)

#### **Real Estate Brokers, Salesmen and Appraisers**

**Secs. 20-328-27 to 20-328-33.** Repealed, May 18, 1994.

#### **Disposition, Advertising, Sale or Exchange in this State of Real Estate Located in Another State or Jurisdiction**

#### **Sec. 20-329m-1. Definitions**

(a) "Disposition" or "dispose of" means any sale, exchange, lease, assignment, award by lottery or other transaction designed to convey an interest in a subdivision or parcel, lot, or unit thereof when undertaken for gain or profit;

(b) "offer" means every inducement, solicitation or attempt to bring about a disposition;

(c) "person" means an individual, firm, company, association, corporation, government or governmental subdivision or agency, business trust, estate trust, partnership, unincorporated association or organization two or more of any of the foregoing having a joint or common interest, or any other legal or commercial entity;

(d) "broker" means a resident real estate broker duly licensed in this state;

(e) "salesman" means any person duly licensed in this state as a real estate salesman;

(f) "purchaser" means a person who acquires an interest in any lot, parcel or unit in a subdivision;

(g) "subdivision" means any improved or unimproved land or tract of land located outside this state which is divided or proposed to be divided into five or more lots, parcels, units, or interests, for the purpose of disposition, at any time as part of a common promotional plan and where any land which is under common ownership or which is controlled by a single developer or a group of developers acting in concert, and such land is contiguous in areas and is designated or advertised as a common unit or by a common name shall be presumed, without regard to the number of lots, parcels, units or interests covered by each individual offering, to be part of a common promotional plan;

(h) "the commission" means the Connecticut real estate commission.

(i) "advertising" means publishing or causing to be published: (a) by means of any newspaper or periodical; (b) by means of any radio or television broadcast; (c) by means of any written or printed or photographic matter produced by any duplicating process producing ten copies or more, any information offering for sale or for the purpose of causing or inducing any other person to purchase or to acquire an interest in the title to subdivided lands, including the land sales contract to be used any photographs or drawings or artist's representations of physical conditions or facilities on the property existing or to exist; (d) by means of any material used in connection with the disposition or offer of subdivided lands by radio, television, telephone or any other electronic means, provided, however, that "advertising" shall not be deemed to include: stockholder communications such as annual reports and interim financial reports, proxy materials, registration statements, securities prospectuses, application for listing securities on stock exchanges and the like; prospectuses, property reports, offering statements or other documents required to be delivered to prospective purchasers by an agency of any other state or the federal government; all communications addressed to and relating to the account of any persons who have previously executed a contract for the purchase of the subdivider's lands except where directed to the sale of additional lands; press releases or other communications delivered to newspapers or other periodicals for general information or public relations purposes, provided no charge is made by such newspapers or other periodicals for the publication or use of any part of such communications.

(Effective November 29, 1978)

## **Sec. 20-329m-2. Transaction restricted to broker. Exception**

No person except a broker or his duly licensed salesmen shall offer for disposition or dispose of in this state any subdivision or lot, parcel, unit or interest in any subdivision unless exempted by the provisions of section 20-329b of the general statutes.

(Effective November 29, 1978)

### **Sec. 20-329m-3. License requirement**

No person shall in this state offer any subdivision or lot, parcel, unit or interest in any subdivision for disposition or shall dispose of any such subdivision or lot, parcel, unit or interest in any subdivision until he has received a license to do so from the commission, provided this section, shall not apply to any person or subdivision exempted under the provisions of section 20-329b of the general statutes.

(Effective November 29, 1978)

### **Sec. 20-329m-4. Application for license**

Any broker who wishes to offer for disposition or to dispose of any subdivision or lot, parcel, unit or interest in any subdivision, and who is required to obtain a license to do so from the commission, shall submit to the commission:

(1) A questionnaire and license application form duly completed by the applicant under oath. Such questionnaire and license application form shall include but shall not be limited to a statement by the applicant

(a) that he has reviewed and verified the truth, authenticity and accuracy of all papers, maps, plats, plans, drawings, photographs, permissions, licenses, documents, deeds, instruments and promotional material, including but not limited to the sales prospectus or property report which is to be used in every offer of disposition in this state of any subdivision or lot, parcel, unit or interest in any subdivision, and

(b) that all said materials and documentation reasonably portray the facts relating to the subdivision and any lot, parcel, unit or interest therein and its situation and location, and

(c) that said materials and documentation are in no way misleading and subject to misinterpretation by the public;

(2) proof of compliance with the requirements of section 20-329c of the general statutes relating to the appointment of the secretary of the state as the broker's attorney for service of process;

(3) details of any bond which may be required by the commission;

(4) a certified, carbon, photographic, xerox or similarly reproduced copy of any title policy covering the subdivision;

(5) a copy of any trust deed or mortgage affecting the subdivision, together with a copy of the conditional or partial releases to be used in the disposition of any lot, parcel, unit or interest in the subdivision;

(6) a detailed statement of the method of handling all deposit monies received by the broker from any person, purchaser or prospective purchaser including but not limited to the name and address of the bank in which the escrow account is established, as well as the account number. In addition, such money shall remain in such escrow account, in accordance with section 20-329n, until final legal disposition is made by the person legally entitled to such money;

(7) copies of all papers and documents to be used in any disposition in this state, including but not limited to any deed, trust deed or instrument, warranty deed, quitclaim deed, contract, agreement, lease, option, deposit receipt and maps, plan, drawings, or photographs or both;

(8) copies of all conditions, restrictions, covenants, reservations and encumbrances affecting the subdivision, including but not limited to mineral or other such rights;

(9) copies of all maps, plats or plans, approved by the local governmental authority, with evidence of such approval, depicting the subdivision or property or interest to be offered for disposition, together with maps depicting the topography and soil composition and definitive plans for construction; all such maps, plats or plans to be certified as to their accuracy by a duly qualified and licensed engineer;

(10) (a) copies of all documentation or reports issued by the local governmental authority with respect to

(i) the availability and potability of water,

(ii) the sanitary disposal of human waste,

(b) a complete report of all flood hazards and drainage affecting the subdivision, as issued by the local flood engineer or other competent and qualified authority,

(c) a complete report covering the construction of access highways, roads and sidewalks affecting the subdivision, and

(d) a complete report relating to the services which will be available to each purchaser of any lot, parcel, unit or interest in the subdivision;

(11) (a) copies of proofs of all advertising and promotional material to be used in this state, including but not limited to a detailed description and legal description of the subdivision, together with a map showing the division proposed or made, the dimensions of the lots, parcels, units, or interests and the relation of the subdivision to existing streets, roads, and other offsite improvements,

(b) copies of the sales prospectus or property report to be used,

(c) the plan under which the disposition of the subdivision or any lots, parcels, units or interests therein is to be made, and (d) such other information as the commission may require in rendering a decision as to the issuance of a license to the applicant;

(12) a copy of the price list of all the lots, parcels, units or interests in the subdivision and the terms and conditions of any offering under which any person or purchaser is to be induced to accept any such offer;

(13) the names and addresses of the persons in whom title to the subdivision is vested, together with the names and addresses of all other persons having a financial interest in the proposed offer or promotional sale or both;

(14) an adequate financial statement covering the persons in whom title to the subdivision is vested, together with at least two bank references in respect of each such person;

(15) a statement made under oath by those persons listed in subsection (13) of this section setting forth in detail

(a) any prior arrests, proceedings or convictions in any jurisdiction against such persons within ten years prior to the date of the application, concerning the following charges or offenses: forgery, embezzlement, obtaining money under false pretenses, extortion, criminal conspiracy to defraud, or other like offense or offenses

(b) whether any of them has ever had his real estate license revoked or suspended, and

(c) if there have been no such arrests, proceedings, convictions, license revocations or suspensions, said statement shall clearly state that there have been "none";

(16) a copy, certified by a duly authorized and qualified person, of any report, review, inspection, approval or release which may have been required by the state or jurisdiction in which the subdivision is located;

(17) the statutory filing fee of one hundred dollars plus the license fee to be computed on the basis of the rates set forth in section 20-329f, subsection (b). The commission shall supply free of charge all necessary questionnaire and license application forms and shall make no official review of any license application until it has received from the applicant all necessary documentation duly completed.

(Effective November 29, 1978)

#### **Sec. 20-329m-5. Subdivision registered under Federal Interstate Land Sales Full Disclosure Act**

Any broker, unless exempted under the provisions of subsections (a) or (b) of section 20-329b of the general statutes, wishing to offer for disposition or to dispose of in this state any subdivision or lot, parcel, unit or interest in any subdivision which is registered under the Federal Interstate Land Sales Full Disclosure Act shall submit to the commission, prior to making any such offer of disposition;

(a) A certified copy of the effective statement of record filed with the Secretary of Housing and Urban Development;

(b) a certificate in letter form from said secretary confirming the filing with him of the particular subdivision and of the effective statement of record;

(c) the statutory filing fee of one hundred dollars plus the license fee to be computed on the basis of the rates set forth in section 20-329f, subsection (b). The commission shall supply free of charge all necessary registration application forms. Any amendments to the statement of record which are filed with said secretary of Housing and Urban Development shall be reported in writing and under oath to the commission within fourteen days after the same are filed with said secretary. The fee for filing a consolidation or an additional number of units not included in the initial filing shall be one hundred dollars.

(d) any subdivision which has been registered under the federal interstate land sales full disclosure act shall be exempt from all the provisions of section 20-329d of the general statutes by complying with all provisions of subsection (c) of section 20-329(b) of the general statutes.

(Effective November 29, 1978)

#### **Sec. 20-329m-6. Land registered in another jurisdiction**

(a) Any broker wishing to offer for disposition or to dispose of in this state any subdivision or lot, parcel, unit or interest in any subdivision which is registered or approved pursuant to the laws of any other state or jurisdiction shall submit to the commission

(1) an exemption application form duly completed under oath

(2) a copy of all the materials and documentation supplied to or registered with such other state or jurisdiction, including but not limited to the sales prospectus to be used in the offer or disposition,

(3) A certificate in letter form from such other state or jurisdiction

(i) establishing the authenticity and accuracy of said materials and documents and that same have been filed or registered with such other state or jurisdiction, and

(ii) certifying that the applicant is of good standing in such state or jurisdiction and that he has not had his real estate license revoked or suspended and listing any arrest or conviction within ten years prior thereto connected with the following offenses: forgery, embezzlement, obtaining money under false pretenses, extortion, criminal conspiracy to defraud, or other like offense or offenses.

(b) The commission, after receipt of and based upon the materials, documents and certificates required by this section to be submitted to it, shall make a determination concerning those provisions, if any, of the general statutes relating to the offering or disposition in this state of subdivisions, from which the applicant shall be exempt.

(Effective March 10, 1970)

#### **Sec. 20-329m-7. Sale contract provisions**

(a) Every contract for the sale of any subdivision, or lot, parcel or unit in any subdivision, unless specifically exempted by section 20-329b of the general statutes shall include the following provisions:

(1) A clear statement of the exact time and date when the contract was signed by the purchaser;

(2) a clear statement of the exact time and date when the purchaser received a copy of the sales prospectus;

(3) a clear statement notifying the purchaser that if he did not receive a copy of the sales prospectus more than seventy-two hours in advance of the time he signed the contract, then he has the power to revoke the contract by communicating such revocation to the seller within seventy-two hours of the last occurring of the following events;

- (i) the time the purchaser signed the contract or agreement, or
- (ii) the time the purchaser received the sales prospectus;

(4) list the broker's residence and office address and provide that the transmittal of the written revocation to either address shall be sufficient to effect the revocation.

(b) The contract or agreement may provide that the foregoing power of revocation shall not apply in the case of a purchaser who:

(1) Has received the sales prospectus and inspected the subdivision in advance of signing the contract or agreement, and

(2) acknowledges by his signature that he has made the inspection and has read and understood the sales prospectus.

(c) The broker shall, at the time the contract or agreement is signed, deliver to the purchaser a form which may be followed by the purchaser in effecting such revocation which form shall comply with the requirements of section 20-329m-8. If the purchaser elects to revoke the contract or agreement within the time limits as prescribed in section 20-329h of the general statutes, the broker shall return all moneys paid by the purchaser without any deduction.

(d) the broker or salesman shall retain the signed receipt for any sales prospectus, property report or offering statement from any purchaser for a period of seven years. The broker or salesman, upon termination with the developer, shall turn these receipts over to the developer within thirty days and the developer shall retain them for the duration of the seven year period.

(Effective November 29, 1978)

#### **Sec. 20-329m-8. Revocation form**

(a) The written form of revocation permitted under subsection (c) of section 20-329h of the general statutes of any contract or agreement relating to any subdivision or lot, parcel, unit or interest in any subdivision

(1) show the names and addresses of the parties to the contract or agreement being revoked,

(2) identify the subdivision or lot, parcel, unit or interest in the subdivision which is the subject of the contract or agreement,

(3) state the date and exact time the sales prospectus was received by the purchaser.

(b) The revocation shall be deemed to have been communicated, if, within the time limit specified in subsection (c) of said section 20-329h, the written revocation is delivered to the broker's residence at any time or his office address during regular business hours. Such written revocation may be in the form of a letter sent by registered or certified mail.

(Effective November 29, 1978)

#### **Sec. 20-329m-9. Reports to commission**

Every broker who has been granted a license to offer for disposition or to dispose of in this state any subdivision or lot, parcel, unit or interest in any subdivision shall immediately report in

writing and under oath to the commission all factual changes in any way materially affecting the value, marketability, or use of the subdivision or any lot, parcel, unit or interest therein or the offering or disposition thereof, provided, if no such changes have occurred, this fact shall be reported in writing and under oath by the broker to the commission at least every six months.

(Effective March 10, 1970)

#### **Sec. 20-329m-10. Hearing on license refusal**

Any broker who is refused a license by the commission to offer for disposition or to dispose of in this state any subdivision or lot, parcel, unit of interest in any subdivision may request a hearing before the commission and the commission shall grant such request and shall hold the requested hearing.

(Effective March 10, 1970)

#### **Sec. 20-329m-11. Deposits to be held in escrow**

(a) any broker accepting moneys paid or advanced by the purchaser or lessee or prospective purchaser or prospective lessee in respect to the sale or lease of any subdivision shall comply with the following provisions:

(1) deposit any such moneys as described in section 20-329m-11(a) in an escrow account, approved by the commission, in a bank doing business in the state of Connecticut,

(2) maintain such moneys as described in section 20-329m-11(a) in the broker's escrow account until

(i) a proper and valid release is obtained therefor, or

(ii) either party has defaulted under the contract or agreement and the commission or the court has made a determination as to the disposition of such money, or

(iii) the seller or lessor orders the return of such money to such purchaser or lessee.

(b) the broker shall not release any moneys until the time limits for revoking the contract or agreement have expired as prescribed under section 20-329h, subsection (c) of the general statutes.

(Effective November 29, 1978)