

## CHAPTER 82

## REAL ESTATE BROKERS AND SALESPERSONS

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**82.19 PROHIBITIONS.**

*[For text of subds 1 and 2, see M.S.1984]*

Subd. 3. No real estate broker or salesperson shall offer, pay or give, and no person shall accept, any compensation or other thing of value from any real estate broker or salesperson by way of commission-splitting, rebate, finder's fees or otherwise, in connection with any real estate or business opportunity transaction; provided this subdivision does not apply to transactions (1) between a licensed real estate broker or salesperson and the person by whom he is engaged to purchase or sell real estate or business opportunity, (2) among persons licensed as provided herein, and (3) between a licensed real estate broker or salesperson and persons from other jurisdictions similarly licensed in that jurisdiction. A licensed real estate broker or salesperson may assign or direct that commissions or other compensation earned in connection with any real estate or business opportunity transaction be paid to a corporation of which the licensed real estate broker or salesperson is the sole owner.

*[For text of subd 4, see M.S.1984]*

Subd. 5. **Disclosure regarding representation of parties.** (a) No person licensed pursuant to this chapter or who otherwise acts as a real estate broker or salesperson shall represent any party or parties to a real estate transaction or otherwise act as a real estate broker or salesperson unless he or she makes an affirmative written disclosure to all parties to the transaction as to which party he or she represents in the transaction. The disclosure shall be printed in at least 6-point bold type on the purchase agreement and acknowledged by separate signatures of the buyer and seller.

(b) The disclosure required by this subdivision must be made by the licensee prior to any offer being made to or accepted by the buyer. A change in licensee's representation that makes the initial disclosure incomplete, misleading, or inaccurate requires that a new disclosure be made at once.

(c) The seller may, in the listing agreement, authorize the seller's broker to disburse part of the broker's compensation to other brokers, including the buyer's brokers solely representing the buyer. A broker representing a buyer shall make known to the seller or the seller's agent the fact of the agency relationship before any showing or negotiations are initiated.

**History:** 1985 c 148 s 1; 1985 c 251 s 6,7

**82.20 LICENSING REQUIREMENTS.**

*[For text of subds 1 to 3, see M.S.1984]*

Subd. 4. **Corporate and partnership licenses.** (a) A corporation applying for a license shall have at least one officer individually licensed to act as broker for the corporation. The corporation broker's license shall extend no authority to act as

broker to any person other than the corporate entity. Each officer who intends to act as a broker shall obtain a license;

(b) A partnership applying for a license shall have at least one partner individually licensed to act as broker for the partnership. Each partner who intends to act as a broker shall obtain a license;

(c) Applications for a license made by a corporation shall be verified by the president and one other officer. Applications made by a partnership shall be verified by at least two partners;

(d) Any partner or officer who ceases to act as broker for a partnership or corporation shall notify the commissioner upon said termination. The individual licenses of all salespersons acting on behalf of a corporation or partnership, are automatically ineffective upon the revocation or suspension of the license of the partnership or corporation. The commissioner may suspend or revoke the license of an officer or partner without suspending or revoking the license of the corporation or partnership;

(e) The application of all officers of a corporation or partners in a partnership who intend to act as a broker on behalf of a corporation or partnership shall accompany the initial license application of the corporation or partnership. Officers or partners intending to act as brokers subsequent to the licensing of the corporation or partnership shall procure an individual real estate broker's license prior to acting in the capacity of a broker. No license as a real estate salesperson shall be issued to any officer of a corporation or member of a partnership to which a license was issued as a broker;

(f) The corporation or partnership applicant shall make available upon request, such records and data required by the commissioner for enforcement of this chapter.

*[For text of subds 5 to 14, see M.S.1984]*

**History:** 1985 c 251 s 8

## 82.22 EXAMINATIONS.

*[For text of subds 1 to 9, see M.S.1984]*

Subd. 10. **Renewal; examination.** Except as provided in subdivisions 3 and 7, no examination shall be required for the renewal of any license, provided, however, any licensee having been licensed as a broker or salesperson in the state of Minnesota and who shall fail to renew the license for a period of two years shall be required by the commissioner to again take an examination.

*[For text of subds 11 to 13, see M.S.1984]*

**History:** 1985 c 251 s 9

## 82.24 TRUST ACCOUNT REQUIREMENTS.

*[For text of subds 1 to 3, see M.S.1984]*

Subd. 4. **Commingling funds.** A broker or salesperson shall deposit only trust funds in a trust account and shall not commingle personal funds or other funds in a trust account, except that a broker or salesperson may deposit and maintain a sum not to exceed \$500 in a trust account from his personal funds, which sum shall be specifically identified and used to pay service charges relating to the trust account.

*[For text of subds 5 to 7, see M.S.1984]*

**History:** 1985 c 251 s 10