

## **DISTRICT OF COLUMBIA ADDENDUM TO REAL BROKER NATIONAL POLICIES AND PROCEDURES MANUAL**

Real Broker, LLC (Company) makes this addendum a part of the Independent Contractor's Agreement to set forth state specific policies and procedures for an agent affiliating with the Company in the District of Columbia (Agent or Licensee). This addendum supersedes all previous District of Columbia addendums. The Company reserves the right to modify, suspend, or discontinue any of the terms, policies, procedures and/or benefits described in this addendum with proper notice.

District of Columbia Official Code:

[http://dccode.elaws.us/gateway/codepdf/title47/chapter47-28/1753-01-01/chapter47-28\(1753-01-01\).pdf](http://dccode.elaws.us/gateway/codepdf/title47/chapter47-28/1753-01-01/chapter47-28(1753-01-01).pdf).

District of Columbia D.C. Board of Real Estate Regulation:

<http://dcrules.elaws.us/dcmr/17-2600/>

District of Columbia Real Estate Licensure Act of 1982 Amendment Act of 1984.

<https://code.dccouncil.us/dc/council/laws/docs/5-117.pdf>

### **Advertising by licensees.**

D.C. Mun. Regs. tit. 17 § 2615.3; All advertising shall be under the direct supervision of the principal broker or supervising broker and shall be in the name of the firm. The firm's licensed name shall be displayed clearly and legibly on all advertising. 2615.5;

Online advertising, including e-mail, web pages, message board postings, instant messages, chat, or any other method of communication that may be transmitted over any computer network, is subject to the requirements of this chapter, 17 DCMR Chapter 27, the Act and the District of Columbia Real Estate Licensure Act of 1982, effective March 10, 1983 (D.C. Law 4-209; D.C. Official Code § 42-1701et seq.), as amended.

As per the District of Columbia Code of Ethics. 2609.4; "A real estate broker **SHALL NOT ADVERTISE WITHOUT DISCLOSING** the broker's name and telephone number or the company's name and telephone number as shown by the records of the Department of Consumer and Regulatory Affairs", therefore, we require that **ALL** advertising in the name of the Company abide by this rule.

You are required to seek Broker review and approval for all advertising materials, to include business cards, mailing materials, newspaper and online ads, social media, websites and everything else that is used to promote your professional services or listings.

### **Fair Housing.**

The Fair Housing Act is a federal act in the United States intended to protect the buyer or renter of a dwelling from seller or landlord discrimination as well as from other housing providers. Its primary prohibition makes it unlawful to refuse to sell, rent to, or negotiate with any person because of that person's inclusion in a protected class, which include race, color, religion, sex, national origin, disability and familial status.

The federal fair housing laws are only a part of the fair housing regulations that a D.C. real estate professional needs to know and follow. The D.C. Human Rights Act of 1977 is another strict set of laws that apply only to the District of Columbia.

The D.C. Human Rights Act prohibits discrimination in employment, public accommodations, and housing based on 19 protected traits; race, color, religion, national origin, sex, age: 18 years or older, marital status, personal appearance, sexual orientation, gender identity or expression, family responsibilities, political affiliation, disability, matriculation, familial status, genetic information, source of income, place of residence or business, status as a victim of an intra-family offense, sexual assault and stalking.

D.C. Human Rights Act of 1977;

<https://ohr.dc.gov/publication/dc-human-rights-act-1977-english>

### **DC Office of Human Rights' Fair Housing**

<https://ohr.dc.gov/fairhousing>

#### **Disclosure of Brokerage Relationship.**

Rule 17-2613 - AGENCY DISCLOSURE. 2613.1; Upon having a substantive discussion about a specific property or properties with an actual or prospective buyer or seller or an actual or prospective landlord or tenant who is not the client of the licensee, a licensee shall disclose any broker relationship the licensee has with another party to the transaction on a written notice, substantially in the form approved by the Board, which clearly discloses the relationship of the broker or salesperson with the parties to the transaction. 2613.3; A broker or salesperson shall request that the actual or prospective purchaser or seller of residential real estate, or actual or prospective landlord or tenant, who is not the client of the licensee, to sign, date, and return a copy of the required notice to the broker or salesperson. If an actual or prospective purchaser or seller, or actual or prospective landlord or tenant, declines to sign the notice, the broker or salesperson shall make a notation on the agency disclosure notice indicating the date that he or she presented the notice to the actual or prospective purchaser, or actual or prospective landlord or tenant, and that the person declined to sign the agency disclosure notice and the reason therefore, if any, given. In the event of a fully executed purchase contract, the licensee shall keep a copy of the disclosure notices relative to the contract for three (3) years.

#### **Agency.**

(1A) The term "agency" means every relationship in which a real estate licensee acts for or represents a person by such person's express authority in a real estate transaction, unless a different legal relationship is intended and is agreed to as part of the brokerage relationship... If a licensee agrees to additional obligations, however, the licensee shall be responsible for the additional obligations agreed to with the client in the brokerage relationship. A real estate licensee who enters into a brokerage relationship based upon a written contract which specifically states that the real estate licensee is acting as an independent contractor and not as an agent shall have the obligations agreed to by the parties in the contract, and such real estate licensee and its employees shall have no obligations under § 42-1703(a) through (e).

(i) Disclosed dual or designated representation authorized. —

(1) A licensee may act as a dual representative only with the written consent of all clients to

the transaction.

(2) Such disclosure may be given in combination with other disclosures or provided with other information, but if so, the disclosure must be conspicuous, printed in bold lettering, all capitals, underlined, or within a separate box.

### **DC Code of Ethics**

The District of Columbia has a comprehensive Code of Ethics. Under Section 17- 2609 for real estate professionals, among other things, it requires that real estate professionals "... shall make a reasonable effort to keep informed about laws and rules, governmental policies, and current market conditions in order to advise a client properly." The Code is available here; <http://dcrules.elaws.us/dcmr/17-2609>.

### **Escrow Funds.**

The District of Columbia has very specific guidelines for handling escrow funds; however, Real Broker, LLC and Mirtes Happy do not hold escrow funds. Our agents are **prohibited** from receiving, transporting, delivering, depositing or managing the handling of escrow funds on behalf of any party.

Agents are instructed to advise clients that it is the client's responsibility to ensure delivery of any required escrow funds to the appointed escrow agent as required by the contract. Agents are instructed to recommend that clients seek legal advice to review the contract and forms and assist in deciding the best approach regarding escrow funds/deposit. § 42–1704. Escrow accounts.

### **Written Listing Agreement.**

Please, note that in accordance with § 42–1705. Written listing contract required. A written listing contract is required in the District for the sale of all real property. A licensee shall not receive payment of a commission in the absence of a written listing agreement.

THE PAYMENT OF REAL ESTATE SERVICES COMMISSION IS PROHIBITED IN THE ABSENCE OF A VALID WRITTEN LISTING AGREEMENT AT THE TIME OF CLOSING.

### **TOPA Rights**

District law states that tenants in buildings up for sale must be offered the first opportunity to buy the building (DC Law 3-86, the "Rental Housing Conversion and Sale Act of 1980," under which falls the Tenant Opportunity to Purchase Act (TOPA).

On **July 3, 2018**, a new law became effective that exempts single family dwellings from TOPA, unless occupied by elderly or disabled tenants.

The significant provisions of the TOPA Single-Family Home Exemption Amendment Act of 2017 (Bill 22-0315) are available at:

<https://dhcd.dc.gov/service/tenant-opportunity-purchase-assistance>.

### **Lead Based Paint Disclosure.**

Federal law requires you to provide certain important information about lead-based paint and/or lead-based paint hazards before a prospective buyer is obligated under a contract to purchase. Beyond the federal law, there are several District of Columbia lead laws. One of them has to do with the required testing of children under six years of age and the required reporting of those results. This is DC Law 16-265, the "Childhood Lead Screening Amendment Act of 2006," which became effective March 14, 2007 and is found at DC Official Code §7-871.01 et seq. District's Lead Hazard Prevention and Elimination Act of 2008, as amended in 2010. The amended Act became effective on March 31, 2011, and is found at DC Official Code §8-231.01 et seq. This law makes the presence of lead-based paint hazards illegal in all residential dwelling units, in common areas in multifamily properties, and in child-occupied facilities such as daycares, built before 1978.

The law gives broad authority to the District Government to enter such places and conduct a special form of lead inspection, called a "risk assessment." A risk assessment determines where lead-based paint hazards may exist in a given property. If a District official finds that a lead-based paint hazard is present, then the property owner will receive a Notice of Violation or of Infraction from the District, as well as an Order to Eliminate Lead-Based Paint Hazards, specifying where the hazard is located and how the owner must go about eliminating it. A finding of a lead-based paint hazard also triggers a legal requirement for DOEE to send an invoice to the property owner, for recovery of the costs associated with conducting the risk assessment.

Anyone engaged in eliminating lead-based paint hazards must abide by a set of work practices described in the new law and must at minimum be trained in lead-safe work practices.

Make sure to always assist your clients with the appropriate Lead based paint Disclosure form and always provide the EPA-approved information pamphlet on identifying and controlling lead-based paint hazards Protect Your Family From Lead In Your Home.

<https://www.epa.gov/lead/protect-your-family-lead-your-home-english>

<https://www.hud.gov/sites/documents/CDBGCHAPTER17.PDF>

### **Required Disclosure(s).**

In addition to Lead Based Paint Disclosure and Brokerage Relationships, the District of Columbia also requires other disclosures as applicable, such as; Property Condition Disclosure (§ 42–1305.), Co-operative Resale Disclosure, Condominium Resale Disclosure HOA Resale Disclosure, EPA and HUD Real Estate Notification and

Real Broker, LLC Policy & Procedures Manual Addendum – District of Columbia 5 Disclosure Rule, Solar Panel Seller Disclosure/Resale, Inclusions/Exclusions Disclosure, Seller's Property Condition Disclosure State and others.

PLEASE, ENSURE THAT YOU ARE USING THE CHECKLIST PROVIDED IN SKYSLOPE AS A GUIDE TO REQUIRED FORMS AND ASSIST YOUR CLIENTS ACCORDINGLY.

### **Personal Assistants**

### **Typical Duties of an Unlicensed Assistant**

- A. Deliver documents and pick up keys.
- B. Answer the telephone and forward calls.
- C. Secure public information from courthouse, utility companies, etc. D. Provide courier services.
- E. Schedule appointments with other offices, existing clients, or customers. F. Place signs on property.
- G. Type forms for approval by licensee and Supervising Broker. H. Write ads for approval of licensee and supervising broker, and place classified advertising.
- I. Assemble documents for closing.
- J. Hand out objective, written information on a listing.
- K. Transmit listings and changes to a multiple listing service.
- L. Follow up on loan commitments after a contract has been negotiated. M. Assemble documents for closing.
- N. Have keys made for company listings.
- O. Record and deposit earnest money and other trust funds (if allowed). P. Order items of routine repair as directed by licensee and/or supervising broker.

### **Duties that Cannot be Performed by Unlicensed Assistants**

- A. Host open houses, kiosks, home show booths, or fairs.
- B. Show property.
- C. Answer any questions on listings, title, financing, closing, etc.
- D. Discuss or explain a contract, agreement, listing, or other real estate document with anyone outside the brokerage company.
- E. Be paid on the basis of real estate activity, such as a percentage of commission, or any amount based on listings or sales.
- F. Negotiate or agree to any commission, commission split, or referral fee on behalf of a licensee.
- G. Solicit by telephone or in person potential sellers, purchasers, tenants, or landlords.
- H. Give additional information not included in prepared written promotional material that has been distributed to the public.
- I. Represent himself or herself as an agent for a real estate broker or the owner/seller of a property.
- J. Negotiate or discuss the terms of a sale.
- K. Act as a go-between with a seller and a buyer.
- L. Answer questions concerning properties listed with the firm, except to confirm that the property is listed and identifies the listing broker or salesperson.

For questions or assistance, please contact the Virginia state Principal Broker:

Mirtes Happy

Direct: 202-335-7325

Mobile: 703-568-5939

[VABroker@TheRealBrokerage.com](mailto:VABroker@TheRealBrokerage.com)