

**NEW JERSEY STATE ADDENDUM TO
REAL BROKER INDEPENDENT CONTRACTOR AGREEMENT**

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 State of New Jersey (Agent). This addendum supersedes all previous New Jersey state 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.

Licensing Authority

New Jersey Real Estate Commission (REC)

General: PO Box 328, Trenton, NJ 08625-0328, 609-292-7272, realestate@dobi.nj.gov

Licensing: PO Box 474, Trenton, NJ 08625-0474, 609-292-7272, relic@dobi.nj.gov

Overnight: 20 W State St, Trenton, NJ 08608-1206

Website: https://www.state.nj.us/dobi/division_rec/index.htm

NJ Real Estate License Law

NJ Statutes (Title 45:15):

<https://lis.njleg.state.nj.us/nxt/gateway.dll?f=templates&fn=default.htm&vid=Publish:10.1048/Enu>

Rules and Regulations of the NJ Real Estate Commission

NJ Administrative Code (Title 11:5): <http://www.lexisnexis.com/hottopics/njcode/>

Main Office

Our legal names and license numbers are below. You may only advertise as being associated with the name of the entity which holds your license. You do not need to include your license number(s) on your advertising in New Jersey. The main office is primarily for brokerage operations only. That said, you may generally meet clients and hold closings during normal business hours, but it is suggested that you confirm with the broker in advance to ensure access. The main office number must be on all advertising.

Real Broker LLC (Lic 1643363)

Real Broker Commercial LLC (Lic 1972663)

320 Haddon Avenue

Haddon Township, NJ 08108

855-450-0442

Broker of Record: Robert "Eric" Axelson (Lic 0894317)

njbroker@therealbrokerage.com

Discrimination

The New Jersey Law Against Discrimination (LAD) prohibits discrimination when selling or renting property. Landlords cannot choose renters or buyers based on a person's race, creed, color, national origin, ancestry, nationality, marital or domestic partnership or civil union status, sex, gender identity or expression, disability, affectional or sexual orientation, family status or source of lawful income or source of lawful rent payment (such as rental assistance from the Housing Choice Voucher Program formerly known as Section 8). The Attorney General's Fair Housing Letter

(<https://www.nj.gov/oag/newsreleases20/2020-AG-Fair-Housing-Letter-Updates.pdf>) must be provided

to every seller and/or landlord at the time of listing. In addition, some jurisdictions may have their own local fair housing laws. It is the agent's responsibility to make sure they are treating all customers fairly at all times.

License Renewal

All real estate licenses are issued on the basis of a 2-year license term. Example: July 1, 2021 to June 30, 2023. All licenses are good for two years and run from July 1 to June 30 in odd number years. Example: July 1 2021 to June 30 2023. The entire office renews at once and your broker will guide you through this process. The fees are currently \$100 for salespersons and \$200 for broker-salespersons.

Continuing Education

In order to renew their license, a licensee must take twelve (12) hours of mandatory continuing education (MCE) each cycle. The MCE must be made up of at least one (1) hour of core fair housing, two (2) hours of core ethics, and three (3) hours of additional core topics. The remaining six (6) hours may be in core or elective topics of the licensee's choosing. The licensee should take care to ensure they are only taking MCE from approved sources. These courses must be completed by April 30th of the renewal year or there will be a \$200 penalty. Referral agents do not need to take CE until they reactivate their license.

CE FAQs: https://www.state.nj.us/dobi/division_rec/licensing/continuingeducation/faqs.htm

REALTOR® Boards and MLSes

Because your broker's primary local board is in New Jersey, you must join or transfer to a local Realtor board in New Jersey or a contiguous state (Delaware, New York or Pennsylvania) within thirty (30) days of affiliating with Real. If you would like to join an additional state board for access to forms, you may do so as a secondary member. You must belong to at least one (1) MLS in the region in which you practice.

Seller's Disclosure

A written seller's property disclosure is not required in New Jersey. That said, disclosure of all material facts is still required. It is highly recommended you advise your seller of the wisdom of full and honest disclosure.

Agency and Dual Agency

You shall provide each consumer with an agency disclosure, called the Consumer Information Statement (CIS), prior to any discussion of money or motivation. This includes providing this at open houses before you begin substantively speaking with the consumer.

Dual agency is legal in New Jersey with the informed **written** consent of all parties. This is accomplished via a separate form. The Consumer Information Statement (CIS) is not enough. Even if the two agents are separate individuals at separate branch offices of Real, this is considered dual agency in New Jersey.

You may not receive dual compensation for dual representation in the same transaction. Example: In a dual agency situation, if the seller is only offering 5 apples, and you want the buyer to pay an extra 1 apple under the terms of your buyer agency agreement, you cannot accept that in this situation and must simply accept what the seller is offering.

Deposits; Earnest Money; Escrow; Good Faith Deposits

While we have the proper escrow accounts in place to comply with state law, we do not utilize them for any reason. Please have an attorney, the cooperating brokerage, or a title company hold these funds. You as the agent may never hold funds in escrow for another person.

Advertising Rules. These rules shall apply to all categories of advertising including all publications, radio or television broadcasts, all electronic media including email and the internet, business stationery, business cards, business and legal forms and documents, signs and billboards, email signatures and social media profiles and activity. All advertising shall include the name in which you are licensed and the name **Real Broker**. The name **Real Broker** shall appear in larger print or be displayed in a more prominent manner than your name.

Your website shall either link to joinreal.com or display the telephone number of the office from which you operate. That information shall appear in wording as large as the predominant size wording on the page. If your website is linked to joinreal.com, the page shall display information which clearly indicates how to contact your broker. Again, this information shall appear conspicuously.

Any advertising which contains a cell phone number or email address of an individual agent shall also include the telephone number of the office from which you operate. All such advertising shall also contain language identifying each number included in the advertising. For example, a cell phone number may be followed or preceded by the word "cell" or the abbreviation "m" for "mobile."

You may not advertise any address except that of the main office or an official branch office. You may not include any reference to a "home office" in your advertisements.

Your business cards shall indicate that you are a licensee by the use of the words, if a salesperson: salesperson, sales representative, sales associate, or REALTOR-ASSOCIATE®. If a broker-salesperson: broker-associate, associate broker, REALTOR-ASSOCIATE® or broker-salesperson.

You may not indicate that a property has been SOLD until a closing has occurred. You may not use SOLD riders on lawn signs until after closing. Therefore, we commonly use the phrase UNDER CONTRACT in New Jersey.

MISCELLANEOUS (in alphabetical order)

Buyer Rebates. Buyer rebates are allowed in New Jersey, but there are specific rules and forms required. Please see your broker at the first instance that a client or you express interest in doing/offering this.

Commissions. You may not prefill the listing percentage you hope to obtain prior to the listing appointment.

Contests; Door Prizes; Drawings; Games of Chance; Lotteries; Prizes. N.J.S.A. 45:15-17(g) prohibits licensees from using any plan, scheme, or method for the sale or promotion of the sale of real estate which involves a lottery, a contest, a game, a prize, a drawing or the offering of a lot or parcel of lots or parcels for advertising purposes.

-Quid Pro Quo. You may also not require a consumer to enter into a sale, listing or other real estate contract as a condition of the promotion or offer. Example: "Buy with me and use this moving truck for free." That type of ad/offering is illegal in New Jersey.

Contracts

All licensee-prepared documents in New Jersey must contain the “attorney-review language.” The buyer and seller are not permitted to waive this period, even if they both agree to it. The only way to not have an attorney-review period is to have an attorney prepare the contract.

Criminal Offenses. You must notify the Commission of any arrest, indictment or conviction within 30 days. A failure to do so will subject you to penalties. N.J.S.A. 45:15-17(s). The notification should be made in writing. Whether or not any additional action is taken will depend on the type of crime at issue. For example, N.J.S.A. 45:15-19.1 requires that the Commission revoke a license when a licensee has been convicted of certain offenses, including theft and related offenses. N.J.S.A. 45:15-19.2 allows the Commission the discretion to suspend a license if a licensee is indicted for certain types of crimes, including theft and related offenses. Licensees should review these laws for further guidance on this issue.

Finders Fees; Birdogging. You may not pay a fee of any kind to an unlicensed person. This includes any item of value. There is no acceptable dollar amount/limit. Example: You cannot pay someone \$10 or send them a gift card for giving you a lead that results in a listing.

Megan’s Law. It is a criminal offense in New Jersey for a real estate licensee to provide information on the presence or absence of a sex offender in a neighborhood. Real agents shall avoid all conversations on this topic and simply direct the party to the relevant section of the contract or the New Jersey State Police website at njsp.org.

MLSs and Listing Entry. All listings must be entered into an MLS within forty-eight (48) hours of signature. This is a state law and does not vary by MLS. If a seller does not wish their property to be listed in an MLS, they must sign an Office Exclusive or Waiver of Broker Cooperation form. Note that you may not publicly advertise an office exclusive. This includes email blasts, group texts, office window signs, social media posts, voicemail broadcasts, and yard signs. You may only market within the office or via individual outreach/word-of-mouth. Note that some MLSs have the option of naming a different “effective date” or have a “coming soon” period.

Mobile Homes. Real estate licensees commonly list and sell mobile homes in New Jersey. Mobile homes are usually on a leased lot and thus classified as a motor vehicle. While you can use standard forms and list on the MLS, there will not be a typical closing with a title company. The buyer will have to go to the Motor Vehicle Commission (MVC) post-settlement to transfer title. If it is your first time handling a mobile home, you must alert your broker to get the proper mentorship.

Nicknames. See Advertising.

Non-Standard Property Types. Any Agents wishing to participate in the sale or rental of any non-standard property types such as business brokering, timeshares, out-of-state development marketing, AirBnB properties (nightly rentals), weekly shore rentals, etc., shall first get the permission of the broker.

Pocket Card. Brokers no longer must print the licenses of all those individuals licensed with their firm and provide a copy of the pocket card license to those individuals. Real requires that individual licensees

either print or obtain an electronic version of their own pocket card license through the Commission's website.

Individual licensees may now access the print or download function through the Real Estate Commission Online Services main menu. The link to that main menu is <http://reconline.nj.gov>. Once in the Main Menu, the link "Email My Individual License" should be selected. The license may be printed or a pdf version may be emailed to the email address selected. If printed, licenses may be printed on paper of any color or quality, but must be legible.

Pursuant to N.J.S.A. 45:15-14, all licensees must have their pocket card license in their possession at all times when engaged in the business of a real estate broker, broker-salesperson, salesperson or referral agent. To be in compliance with this statutory requirement, licensees must carry the physical copy of their pocket card license or have a digital image of their pocket card license in their possession on a cell phone, tablet, laptop, or other electronic device. Regardless of which option is chosen, the licensee must have either the paper or digital pocket card license in their possession at all times when engaged in the business of a real estate broker, broker-salesperson, salesperson or referral agent and must be able to produce the physical or electronic image of their pocket card license upon request.

Source: Bulletin No. 13-19, https://www.state.nj.us/dobi/bulletins/blt13_19.pdf

State Meetings. Given that we are a virtual brokerage, with the advent of technology, and given that we recently had a pandemic, state meetings and trainings are offered at least once monthly on Zoom and in Workplace. As the schedule varies, you should pay attention to the NJ group on Workplace for dates and times.

Teams. NJ license law is currently silent on teams. In the absence of any specific legislation, you should follow the general guideline that the name of your brokerage and the main office phone number should be the most prominent items on the advertising, larger and bolder than your personal name and cell phone number. All team names, members and employees, licensed or otherwise, shall be registered with the broker.

Telemarketing. In NJ, you need a license to call expired listings or other leads. It is up to the agent to ensure that any Inside Sales Agent (ISA) that they contract with is properly licensed.

Unlicensed Assistants. Any assistants, licensed or otherwise, shall be registered with the broker.

Permissible and Prohibited Actions of Unlicensed Assistants and Support Staff:

https://www.state.nj.us/dobi/division_rec/supportstaffactions.pdf