



## CONNECTICUT REAL ESTATE COMMISSION POLICY ON USE OF UNLICENSED PERSONS BY LICENSEES

Licensees, both brokers and salespersons, often use unlicensed persons, either employed or contracted, to perform various tasks related to a real estate transaction which do not require a license. Such persons, for example, are used as personal assistants, clerical support staff, closing secretaries, etc.

The Connecticut Real Estate Commission prohibits unlicensed persons from negotiating, listing, selling, buying, or renting real property for another for a fee. It is, therefore, important for employing brokers and other licensees using such persons to carefully restrict the activities of such persons so that allegations of wrongdoing under Connecticut General Statutes or State Regulations can be avoided. Licensees should not share commissions with unlicensed persons acting as assistants, clerical staff, closing secretaries, etc. The temptation for such unlicensed persons, in such situations, to go beyond what they can do and negotiate or take part in other prohibited activities is greatly increased when their compensation is based on the successful completion of the sale. In order to provide guidance to licensees with regard to which activities related to a real estate transaction unlicensed persons can and cannot perform, the commission establishes the following Policy: Activities which can be performed by unlicensed persons who, for example, act as personal assistants, clerical support staff, closing secretaries, etc., include, but are not necessarily limited to:

1. Answer the phone and forward calls to licensee.
2. Transmit listings and changes to a multiple listing service.
3. Follow up on loan commitments after a contract has been negotiated.
4. Assemble documents for closing.
5. Secure documents; i.e., public information from town/city hall, courthouse, sewer district, water district, tax assessor, etc.
6. Have keys made for company listings.
7. Write and prepare ads (with review of licensee), flyers and promotional materials and place such advertising.
8. Record and deposit earnest money and other trust funds.
9. Type contract forms under direction of licensee.
10. Monitor licenses and personnel files.
11. Compute commission checks.
12. Place signs on property.
13. Order items of routine repair as directed by licensee and/or supervising broker.
14. Act as courier service to deliver documents, pick up keys, etc.
15. Schedule appointments for licensee to show listed property.
16. Measure property.

Activities which cannot be performed by unlicensed persons who, for example, act as personal assistants, clerical support staff, closing secretaries, etc., include but are not necessarily limited to:

1. Host open houses, kiosks, home show booths or fairs, or hand out materials at such functions.
2. Show property.
3. Answer any questions from consumers on listing, title, financing, closing, etc.
4. Contact cooperative brokers, whether in person or otherwise, regarding any negotiations or open transactions.
5. Discuss or explain a contract, offer to purchase, agreement, listing, or other real estate document with anyone outside the firm.
6. Be paid on the basis of commission, or any amount based on listings, sales, etc.
7. Negotiate or agree to any commission, commission split or referral fee on behalf of a licensee.
8. Place calls that would require a license such as cold calls, solicit listings, contacting expired listings or for sale by owners, or extending invitations to open houses.
9. Attend inspections or pre-closing walk-through unless accompanied by licensee.
10. The unlicensed assistant is not a decision maker; rather, shall take all direction from supervising licensee.

Employing brokers, whether they are employing unlicensed persons or whether licensees under their supervision are using unlicensed persons as personal assistants or the like, are responsible for assuring that such unlicensed persons are not involved in activities which require a license and/or activities which violate this policy. Brokers should establish guidelines for the use of unlicensed persons and procedures for monitoring their activities. It is the responsibility of the designated broker to assure that unlicensed persons, either directly employed or contracted, or employed or contracted by licensees under his or her supervision, are not acting improperly.