



COMMONWEALTH of VIRGINIA  
Department of Professional and Occupational Regulation

Terence R. McAuliffe  
Governor

August 31, 2017

Todd Haymore  
Secretary of  
Commerce and Trade

Jay W. DeBoer  
Director

Dear Licensee,

At its July board meeting, the Real Estate Board (the board) requested staff send a letter to all brokers regarding three matters it felt were important for brokers to know. Staff will address the board's concerns below.

First, during its 2017 session, the General Assembly amended the Virginia Residential Property Disclosure Act. The changes made required board staff to update the disclosure form(s) sellers need to provide to purchasers. After some initial confusion about the new forms, staff further revised the forms to alleviate this confusion. These forms are available on the board's website at [http://www.dpor.virginia.gov/Consumers/Disclosure\\_Forms](http://www.dpor.virginia.gov/Consumers/Disclosure_Forms).

The second issue concerns the board's implementation of continuing education (CE) credit carryover, which begins with licenses that expire on November 30, 2017. In order to determine if a licensee has eligible carryover CE credits, a licensee must submit a worksheet to board staff since the board's computer system is not capable of automatically calculating the amount of CE eligible for carryover. Once a licensee submits the worksheet to the board for review, staff will evaluate the information to ascertain if the licensee qualifies for CE carryover. If the licensee has eligible CE credits, staff will enter those credits into the licensing database, and the CE credits will appear on the License Lookup webpage. The worksheet will be posted on the board's website on September 1, 2017. More detailed information is available on the board's website at [http://www.dpor.virginia.gov/Boards/Real-Estate/CE\\_Carryover](http://www.dpor.virginia.gov/Boards/Real-Estate/CE_Carryover).

Finally, the third issue deals with paying commissions to licensees. It's come to the attention of the board that some brokers are directing settlement agents to pay commissions directly to the broker's licensees at closing. Regulation 18 VAC 135-20-280.2 states in part that accepting a commission, fee or other consideration as a salesperson or associate broker for any real estate services from any person or entity except the licensee's principal broker or supervising broker at the time of the transaction is considered an improper brokerage commission. Therefore, if a licensee accepts a commission from any person or entity other than his principal or supervising broker, it may be considered a violation of the board's regulation. A licensee may receive financial benefits other than a commission from a person other than his principal broker if he has the written consent of his principal broker (see regulation 18 VAC 135-20-280.4).

Please take the time to review this information with the salespersons and brokers affiliated with your firm. If you have any questions, please contact staff at 804-367-8526 or by email at [reboard@dpor.virginia.gov](mailto:reboard@dpor.virginia.gov).

Sincerely,

Real Estate Board