

OCCUPATIONAL CODE (EXCERPT)
Act 299 of 1980

***** 339.2512d.amended THIS AMENDED SECTION IS EFFECTIVE MARCH 29, 2017 *****

339.2512d.amended Service provision agreement; duties; services; misleading public prohibited; waiver of services in limited service agreement.

Sec. 2512d. (1) A licensee that is acting under the terms of a service provision agreement shall perform the duties described in subsection (2). A real estate broker may authorize a designated agent to represent the client, if that authorization is in writing.

(2) A licensee that is acting under the terms of a service provision agreement owes, at a minimum, the following duties to a client:

(a) The exercise of reasonable care and skill in representing the client and carrying out the responsibilities of the agency relationship.

(b) The performance of the terms of the service provision agreement.

(c) Loyalty to the interest of the client.

(d) Compliance with the laws, rules, and regulations of this state and any applicable federal statutes or regulations.

(e) Referral of the client to other licensed professionals for expert advice related to material matters that are not within the expertise of the broker.

(f) An accounting in a timely manner of all money and property received by the broker in which the client has or may have an interest.

(g) Confidentiality of all information obtained in the course of the agency relationship, unless disclosed with the client's permission or as provided by law, including the duty not to disclose confidential information to any licensee who is not an agent of the client.

(3) A licensee that is acting under the terms of a service provision agreement shall provide the following services to a client:

(a) If the real estate broker or real estate salesperson is representing a seller or lessor, the marketing of the client's property in the manner agreed on in the service provision agreement.

(b) Acceptance of delivery and presentation of offers and counteroffers to buy, sell, or lease the client's property or the property the client seeks to purchase or lease. At the time of execution of an offer to purchase, a licensee shall recommend to the purchaser that the purchaser require that the seller provide a fee title policy in the amount of the purchase price to the purchaser, issued or certified to the approximate date of closing of the real estate transaction.

(c) Assistance in developing, communicating, negotiating, and presenting offers, counteroffers, and related documents or notices until a purchase or lease agreement is executed by all parties and all contingencies are satisfied or waived.

(d) After execution of a purchase agreement by all parties, assistance as necessary to complete the transaction under the terms specified in the purchase agreement. Without written approval of the buyer and seller, a licensee shall not close a transaction on any terms or conditions that are contrary to the terms or conditions of an executed purchase agreement.

(e) For a real estate broker or associate real estate broker that is involved at the closing of a real estate or business opportunity transaction, furnishing, or causing to be furnished, to the buyer and seller, a complete and detailed closing statement signed by the broker or associate real estate broker showing each party all receipts and disbursements affecting that party. However, this subdivision does not apply if the closing is conducted by a title insurance company, or a person designated to act as the agent of a title insurance company, that is licensed or authorized to do business in this state.

(4) A real estate broker or real estate salesperson that is representing a seller under a service provision agreement shall not advertise the property to the public as "for sale by owner" or otherwise mislead the public to believe that the seller is not represented by a real estate broker.

(5) The services described in subsection (3)(b), (c), and (d) may be waived in a limited service agreement.

History: Add. 2008, Act 90, Eff. July 1, 2008;—Am. 2016, Act 502, Eff. Mar. 29, 2017.

Popular name: Act 299