



TREC Advisor

Texas Real Estate Commission ★ Volume 15, Number 4 ★ September 2004

Commission Adopts Changes to Mandatory Continuing Education Requirements

After nearly two years of research and development, the Texas Real Estate Commission (TREC) adopted rules at its meeting on August 9, 2004 that significantly change the mandatory continuing education (MCE) requirements for real estate brokers and salespersons to renew a license on active status. The rules change the process by which MCE courses and instructors are approved and require all real estate licensees to attend a three hour legal update course and a three hour legal ethics course to fulfill the six legal hours of MCE to renew an active license under the Real Estate License Act (the Act).

The rules developed by the Commission incorporate recommendations from licensees, trade associations and the TREC Education Task Force, members of which were appointed by Chairman Mike Brodie in July 2002 to look at the present structure of MCE in Texas, analyze its effectiveness and make any necessary recommendations for improvements.

The following is a summary of the most significant changes to the Texas MCE rules:

- The new rules require all licensees to take a three hour legal update course and a three hour legal ethics course created for and approved by TREC to satisfy the 6 legal hours of mandatory continuing education required by Occupations Code §1101.455.
- Instructor applicants must satisfy the agency as to the applicant's honesty, trustworthiness and integrity. Providers will be responsible for ensuring that instructors are competent to teach a particular subject.
- Instructors who teach the legal courses must be certified to teach the courses by attending an instructor training course offered by the Real Estate Center at Texas A&M University.
- Instructors must be pre-approved by TREC prior to attending the instructor training course and obtaining certification to teach the required courses.
- The required legal update and ethics courses will be revised and replaced at the end of every odd numbered year (3 years for the first set of courses, every 2 years after).
- The required courses may be modified by certified instructors to supplement the courses with additional material, to create distance learning legal courses, or to combine the legal courses with elective courses.
- Elective courses to be used as credit for the remaining 9 hours required by §1101.455 of the Act must be presentations of relevant issues that impact the practice of real estate or which increase or support the development of skill and competence; a provider must include a statement with the course registration that describes the objective of the course and explains how the subject matter is related to activities for which a real estate license is required.
- Providers are required to register all courses they offer with the TREC Education Department.
- A provider who offers a required legal course must provide the students with the required course materials in print or electronic format.
- Core and continuing legal education courses may be accepted for satisfying MCE elective credit only.
- Distance learning courses may be registered to satisfy elective and required legal credit subject to certain conditions. A distance learning course to be used as credit for a required legal course must include a final exam.

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THE MISSION of the Texas Real Estate Commission is to assist and protect consumers of real estate services and foster economic growth in Texas. Through its programs of education, licensing and industry regulation, the Commission ensures the availability of capable and honest real estate service providers.

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**Commission Adopts Changes to
 Mandatory
 Continuing Education Requirements**

Official publication of the
Texas Real Estate Commission
 Volume 15, Number 4
 September 2004

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TREC Administrator
Wayne Thorburn

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- Proctored video presentations for both elective and legal credit are acceptable; however, for legal credit, the video presentations must have a certified instructor available as necessary for questions and must include a final examination.
- The percentage of time permitted to be taught by a guest speaker was increased from 25% to 50%.
- For elective courses and courses which do not include legal credit hours, a provider may grant partial credit to a student who attends less than the complete course registered with TREC. If a student is away or late for any portion of a 50 minute class hour the student may not receive credit for that hour. The student will receive credit for any other full hours of that course that the student attends.
- Licensees on active status will be required to take the required legal update and legal ethics courses for their next and all subsequent renewals of their license after January 1, 2005. Thus a licensee may, but is not required to attend the required legal courses for his or her first renewal after the effective date, but the licensee is required to take the courses for the next and all subsequent renewals.
- For licenses granted after the effective date, the licensee must attend the required courses to renew a license on active status.
- As of January 1, 2005, a licensee on inactive status who wishes to return to active status, and who is not subject to annual education requirements, must take the new legal courses if the licensee has not satisfied the previous MCE requirements prior to January 1, 2005.
- The effective date for partial credit and professional credit designation courses is January 1, 2005.
- Distance learning courses may be offered for required legal course credit on or after July 1, 2005.
- The effective date for the streamlined instructor application process and course registration process is September 1, 2004.

TREC Outstanding Employee: January 2004 - June 2004



TREC is pleased to announce that Lorie DeAnda has received the Outstanding Employee Award for the first half of calendar year 2004.

As Manager of TREC's busy Communication Section, Lorie works conscientiously to ensure that licensees receive the answers they need, whether on the phone or by email. She displays concern for callers, and strives to train her staff to be thoroughly prepared for the many types of questions they are asked daily.

Lorie's team members respect her not only for her training and her ability to lead by example in helping the public, but equally for her support and genuine empathy toward her staff.

The TREC Advisor (ISSN 1047-4579) is published by the Texas Real Estate Commission (TREC) as an educational service to licensees in the state of Texas. The purpose of the newsletter is to promote a better understanding of the Real Estate License Act and to inform all licensees of changes affecting laws and practices in the real estate industry. The TREC Advisor is funded through legislative appropriations and subscriptions collected from TREC licensees. The official text of TREC rules is filed with the Office of the Secretary of State, Texas Register. TREC encourages reproduction of this newsletter with the appropriate acknowledgments. Subscriptions are available for \$4.00 for two years. Single issues are \$1.00. To order a subscription or a single issue write to TREC Advisor, Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188. For information regarding TREC, contact:

Texas Real Estate Commission
 P.O. Box 12188
 Austin, Texas 78711-2188
 (512) 459-6544 or (800) 250-TREC
<http://www.trec.state.tx.us>



TEXAS REAL ESTATE
COMMISSION

Meeting Highlights

August 9, 2004

The Texas Real Estate Commission held its regularly scheduled meeting at the TREC headquarters in Austin, Texas on Monday, August 9, 2004. Chairman John Walton presided.

During staff reports, Ms. Hassumani reported that the number of applications submitted continues to increase.

The Commission agreed to pay one recovery fund in the amount of \$8,300.

The Commission proposed rule amendments to 22 TAC §§535.63 & .64 concerning education, experience, educational programs, time periods and types of license. The proposed revisions would conform the provisions to the new rules concerning mandatory continuing education.

The Commission withdrew the proposed amendment to 22 TAC §535.2, concerning Broker's Responsibility determining that action could be taken on this item at a later date if needed.

The Commission adopted amendments to §535.51, which adopts by reference a corporation broker original application with the amended fee structure to include the subscription fee for the TexasOnline Authority.

The Commission adopted amendments to 22 TAC §§535.71-535.73. (See page one.)

The Commission adopted the following amendments which change cites in the rules to the relevant statutory provision in Chapter 1101, Texas Occupations Code: §§535.91, 92, and .94; §535.101; §§535.122-.123; §§535.131, .132; §§535.141., .143, .147, .153, .154; §§535.206, .208, .213-.216, .220, .224, .227; §535.300; and §§535.400, .402, .403.

The Commission adopted amendments to §535.171 which require a party appealing the final decision of TREC in a contested case to pay the costs of preparing the original or certified copy of a record of the contested case proceedings.

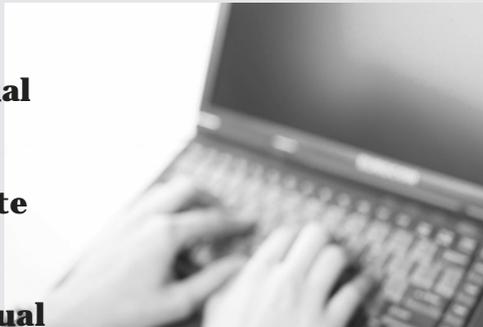
The Commission adopted amendments to §537.11 and .46 which revises Standard Contract Form TREC No. 39-5.

The next meetings of the Commission will be October 18, 2004, December 6, 2004 and February 21, 2005.

TREC offers many services online...

File and Pay (by credit card) for These Licenses Online

- **Salesperson original application**
- **Salesperson 2-yr renewal**
- **Broker original application, Individual**
- **Broker renewal, Individual**
- **Broker renewal, LLC**
- **Broker original application, Corporate**
- **Broker renewal, Corporate**
- **Inspector renewal (all levels)**
- **ERW renewals, Business and Individual**



Download TREC applications and contract forms, education forms, rules and License Act, and the *Advisor* newsletter.

Subscribe to the e-mail notification service and receive information as soon as it becomes available.

Search the TREC web site for information concerning licensees, courses, schools and instructors.



Disciplinary Actions

June—July 2004

Consumer Complaints

Calendar of Events

Commission Meetings:

October 18, 2004
(Austin)

December 6, 2004
(Austin)

February 21, 2005
(Austin)

Broker-Lawyer Committee Meetings:

October 28-29, 2004
(Austin)

Inspector Committee Meetings:

None Scheduled
(Austin)

Web site:

<http://www.trec.state.tx.us>

Phone

(800) 250-TREC (8732)
or
(512) 459-6544

Gibbs, Ford W.

(Dallas); license #466978

Agreed reprimand of broker license, entered June 1, 2004; acted negligently or incompetently when a salesperson he sponsored conducted his real estate brokerage business through a limited liability company not first licensed as a real estate broker and the same salesperson maintained a web site with content that offered to pay cash to an unlicensed person for referrals for real estate brokerage services and the advertisements did not readily identify the advertiser as a real estate licensee, in violation of §1101.652(b)(1) of the Texas Occupations Code and 22 TAC §§535.20 & 535.154 of the Rules of the Texas Real Estate Commission

Costilla, Ramon

(The Colony); license #502695

Agreed reprimand of salesperson license, entered June 3, 2004; Agreed administrative penalty of \$750, entered June 3, 2004; acted negligently or incompetently when he maintained a web site with content not approved by his broker and the content offered to pay cash to an unlicensed person for referrals for real estate brokerage services and the advertisements did not readily identify the advertiser as a real estate licensee, in violation of §1101.652(b)(1) of the Texas Occupations Code and 22 TAC §§535.20 & 535.154 of the Rules of the Texas Real Estate Commission

Sald, Michael R.

(Austin); license #448758

Agreed reprimand of salesperson license, entered June 14, 2004; Agreed administrative penalty of \$750, entered June 14, 2004; failure to deposit money and documents received in a real estate transaction within a reasonable time, in violation of 22 TAC §535.159 of the Rules of the Texas Real Estate Commission; negligence in his failure to deliver a buyer's option fee payment along with a written offer that included an option period and required an option fee, and negligence in his physical loss of the executed contract documents, buyer's earnest money check, and buyer's option fee check, in violation of §15(a)(6)(W) of the Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]

Galleon Bay Club Condoshare

(South Padre Island); license #02208601

Revocation of timeshare registration, effective June 30, failing to refund a purchaser's deposit after timely cancellation of a contract for purchase of a timeshare interest, in violation of §221.042(b), of the Texas Timeshare Act (5 counts); failing to disclose information concerning goods or services which was known at the time of the transaction if such failure to disclose such information was intended to induce the consumer into a transaction which the consumer would not have entered had the information been disclosed, by failing to execute and tender a deed to the purchaser after the purchaser had paid the full purchase price of a timeshare interest, in violation of §17.46(b)(23) of the Texas Deceptive Trade Practices-Consumer Protection Act

Christiansen, Lynn Dee

(Houston); license #286828

Agreed reprimand of salesperson license, entered July 14, 2004; Agreed administrative penalty of \$500, entered July 14, 2004; leasing real property in her own name and failing to advise the tenant in writing in the lease agreement, or in another writing furnished to the tenant before execution of the lease agreement, that she was a licensed real estate salesperson, in violation of 22 TAC §535.144 of the Rules of the Texas Real Estate Commission

Administrative Complaints

Scott, Justin Mark

(Belton); license #457923

Agreed reprimand of salesperson license, entered June 1, 2004; Agreed administrative penalty of \$250, entered June 1, 2004 failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Evans, Thomas Lynn

(Dallas); license #286170

Revocation of salesperson license, effective June 3, 2004; failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of §1101.652(a)(4) of the Texas Occupations Code and §534.2 (a) of the Rules of the Texas Real Estate Commission

Evans, Bessie Lynn

(Dallas); license #131890

Revocation of broker license, effective June 3, 2004; failing within a reasonable time to make good checks issued to the

Commission and to pay the processing fees, in violation of §1101.652(a)(4) of the Texas Occupations Code and §534.2(a) of the Rules of the Texas Real Estate Commission

English, Timothy James
(Hockley); license #472104

Agreed reprimand of salesperson license, entered June 9, 2004; Agreed administrative penalty of \$250, entered June 9, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Lewis, Michael Don
(Fort Worth); license #290825

Revocation of salesperson license, effective June 11, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Abiakam, Rose Okoye
(Houston); license #354520

Agreed reprimand of broker license, entered June 24, 2004; Agreed administrative penalty of \$250, entered June 24, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Roberson, Juanita
(Fort Worth); license #115829

Revocation of broker license, effective June 29, 2004; failing within a reasonable time to make good a check issued to the Commission and to pay the processing fee, in violation of §1101.652(a)(4) of the Texas Occupations Code and §534.2(a) of the Rules of the Texas Real Estate Commission

Padilla-Vazquez, Raul
(Killeen); license #367484

Agreed reprimand of broker license, entered July 1, 2004; Agreed administrative penalty of \$250, entered July 1, 2004; failing to complete mandatory continuing education hours within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Bean, Milton Leon
(Boerne); license #4127

Revocation of professional inspector license, effective July 2, 2004; payment of \$7500.00 made by the Texas Real Estate Commission from the Real Estate Inspection Recovery Fund toward satisfaction of a judgment against Milton Leon Bean, in violation of §1102.402 of the Texas Occupations Code

Goode, Diane Gilliam
(Austin); license #438969

Agreed reprimand of salesperson license, entered July 7, 2004; Agreed administrative penalty of \$250, entered July 7, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Balley, Tina Ross
(Dallas); license #272286

Agreed reprimand of salesperson license, entered July 7, 2004; Agreed administrative penalty of \$250, entered July 7, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Wales, Christopher H.
(Round Rock); license #474914

Agreed reprimand of salesperson license, entered July 8, 2004; Agreed administrative penalty of \$250, entered July 8, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Umoekpo, Ekponoudim Itok
(Missouri City); license #482717

Agreed reprimand of salesperson license, entered July 9, 2004; Agreed administrative penalty of \$250, entered July 9, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Harden, Jack E.
(San Antonio); license #173119

Revocation of broker license, effective July 16, 2004; failing to complete mandatory continuing education hours within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Norby, Larry R.
(El Paso); license #394545

Revocation of salesperson license, effective July 16, 2004; payment of \$29,902.83 made by the Texas Real Estate Commission from the Real Estate Recovery Fund toward satisfaction of a judgment against Larry R. Norby, in violation of §8(i) of the Texas Real Estate License Act, Article 6573a, Texas Civil Statutes [§1101.655 of the Texas Occupations Code, effective June 1, 2003]

Taylor, Larry Scott
(Austin); license #399516

Agreed reprimand of broker license, entered July 21, 2004; Agreed administrative penalty of \$250, entered July 21, 2004; failing to complete mandatory continuing education hours within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

McKown, Melanie Jordan
(San Antonio); license #475397

Agreed reprimand of salesperson license, entered July 22, 2004; Agreed administrative penalty of \$250, entered July 22, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Martin, Ann M.
(Conroe); license #313950

Revocation of salesperson license, effective July 23, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Best, John Kraetsch
(El Paso); license #178242

Agreed reprimand of broker license, entered July 28, 2004; Agreed administrative penalty of \$500, entered July 28, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Klaes, Daniel Earl
(Houston); license #446662

Agreed reprimand of salesperson license, entered July 30, 2004; Agreed administrative penalty of \$250, entered July 30, 2004; failing to complete mandatory continuing education hours within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Watch Those Signs!

There are few things more annoying to city residents than seeing a pleasant neighborhood street or a busy thoroughfare littered with signs promoting everything from weight loss to zero down payment homes. In fact, in many Texas cities, posting signs on city easements or public rights-of-way is more than a nuisance - it's a violation of a city ordinance.

Real estate licensees are reminded that any and all signs promoting one's business, advertising property for sale or lease, or inviting individuals to an open house should **never** be posted on government property, on a public right-of-way, or on **any** property without the owner's consent and approval. Failure to abide by these guidelines will result in more than mere confiscation of the signs and more than mere payment of a fine for violating a city ordinance. Indeed, it can result in the loss of one's real estate license - as was the case with one broker in the Houston area less than ten years ago.

So, before posting any signs - whether it be for a few hours or a few days - check out all the possible city ordinances regarding signs, make sure you are not posting on public property, and seek the permission of any owners or tenants on whose land you wish to place the sign. In fact, introducing yourself and seeking permission of the owner may provide you with new leads to pursue or with new clients.



Enforcement Questions and Answers

These and other questions and answers may be found on TREC's web site at <http://www.trec.state.tx.us>

- Q. My broker license is inactive. I intend to either rent or buy a home. Am I required to disclose to the landlord or seller that I have a real estate license?**
- A. Yes. Even though your license is inactive, you must disclose that you have a license in writing in the contract or in some other writing furnished to the other party prior to executing the contract.
- Q. I am an agent and would like to give a gift certificate to a spa or boutique to either the buyer or seller that I represent at the close of a sale. May I do so?**
- A. Yes. A gift to a principal (buyer or seller) is permitted under TREC Rules. There are no prohibitions as to what form the rebate can take. Note, however, if you are not representing the person who is going to receive the rebate, the consent of the person you are representing is required prior to giving the rebate. If you advertise your plan, be aware of the advertising provisions of the TREC Rules which require certain language to be included in all advertisements of rebates to principals. Look at Rule 535.154(k) on the TREC web site at www.trec.state.tx.us.
- Q. I recently closed on the purchase of a home and have moved in. I have found several major problems that were not disclosed by the sellers and not found by the inspector. The real estate agent told me that I got a great deal and that I should be happy with it. What can I do?**
- A. You could file a complaint with the Commission naming the agent, if you believe the agent had knowledge of the defects or problems you have discovered, and the agent failed to disclose that information to you. You could also file a complaint against the inspector if you believe he saw or should have seen defects on the **day of inspection**. Inspectors are only responsible for observations made about the property on the day the inspector saw the property. The Commission does not have legal authority to take action against the seller for failing to disclose a known condition of the property on the Seller's Disclosure of Property Condition form. For that you would need to seek assistance from an attorney..
- Q. Is a real estate agent required to call the occupant of property prior to showing the property?**
- A. The law does not specifically require an agent to call ahead of time. However, a licensed agent who shows property has a duty to act in a competent manner. This duty would require, as a general matter, that the showing agent respect instructions given by the owner or listing agent regarding showing the property. You may wish to confirm with the owner or listing agent what instructions have been noted in the listing for the property.
- Q. I have recently sold my home very quickly without using a real estate agent. Now my friends have requested my help in selling their homes. I would like to be paid for my consulting without having to become a real estate agent. Could you tell me the law regarding this issue?**
- A. The law says you cannot receive compensation for helping others buy or sell property unless you have a real estate license. If you do so, it would be considered unlicensed activity under the law and could result in a large fine and/or criminal penalties.
- Q. Must a Buyer's Representation Agreement have a fixed date for when the agreement expires?**
- A. Yes. The law requires an agent to specify a definite termination date that is not subject to prior notice in a contract to perform some type of brokerage service other than property management services.
- Q. I have contracts that are pending in which I am representing the buyer in one and the seller in the other. If I turn in my resignation to my current broker, and I ask him to return my license to TREC, and I move to another sponsoring broker, can I continue to handle these transactions and receive a commission?**
- A. After you terminate your sponsorship with your current broker, you may no longer act as an agent for that broker. If the clients have signed a buyers' representation agreement or a real

**FOR YOUR OWN GOOD...
CHECK THE
EXPIRATION DATE OF
YOUR LICENSE**

It is your responsibility to ensure that your license is renewed in a timely manner. Any education you might require must be completed before your license expiration date if you want to maintain an active real estate license, unless you pay an additional \$200 fee and complete your MCE within 60 days of the expiration date of your license.

Renewal forms are sent out to all licensees and may also be obtained on our web site. The Texas Real Estate Commission is not responsible for U.S. Postal Service delivery or knowing where to find you if you have moved and have not filed a change of address with our office. Failure to receive a renewal notice does not provide a valid excuse for not renewing your license.

estate listing agreement with your current broker, you may not continue to represent the client after termination of your sponsorship by the broker, unless you make arrangements with both the broker you are leaving, your new broker, and you and your new broker enter new or modified agreements with the clients to continue your involvement in the transactions. Of course, you would need to maintain an active license, under the sponsorship of a broker, to continue acting as an agent.

The Commission does not have jurisdiction over the issue of whether you are entitled to commissions in these transactions. It would depend on the independent contractor agreement between you and the old broker. If it is agreed that you are entitled to the commissions, you may be paid through your old broker any commissions that were earned while you were still under the sponsorship of that broker. For this purpose, we generally consider commissions to be earned at the time a contract of sale or lease is executed by all parties.

Q. If an out of state broker refers a buyer to a Texas broker, is the Texas broker allowed to pay a referral fee to the out of state broker?

A. Yes. A Texas licensee may cooperate with and divide fees with a broker licensed in another state, as long as all negotiations in Texas are conducted by Texas licensees.

Q. In the TREC promulgated "One to Four Family Residential Contract (Resale)", paragraph 7.B.(1), even if the buyer receives the Texas Property Code Sellers' Disclosure Notice, does he have the right to terminate the contract within 7 days after receiving notice?

A. The right of the buyer to terminate the contract is found in Paragraph 7.B.(2). The right to terminate described in this paragraph may be exercised:

- if the Disclosure form is never given - any time before closing;
- if the Disclosure form is given after the effective date of the contract and within the number of days inserted in the blank in B.(2), the buyer still has the right to terminate within 7 days of receipt of the form;
- if the Disclosure form is given after the number of days inserted in the blank in B.(2), the buyer has the right to terminate at any time before closing.

Q. I am a developer and I sell home sites. If a real estate licensee registers with us and brings a buyer, we pay a commission to the licensee. If a licensee does not register with us but brings us a buyer, do we have to pay a commission to the real estate agent?

A. No. Under the Real Estate License Act, a licensee does not have a legally enforceable right to a commission unless the agreement to pay the commission, or some memorandum of an agreement, is in writing and signed by the party to be charged. If you have not signed such an agreement or memorandum, you are not legally obligated to pay a commission.

Q. I am a Texas attorney and want to assist a friend in purchasing a home. Do I need a real estate license?

A. No. As an active licensed attorney you may assist a person/entity in buying a home. Attorneys are exempt from licensure under The Real Estate License Act. Therefore, attorneys may conduct real estate brokerage activities without a real estate license. However, a real estate licensee may not share a commission with an unlicensed person. Therefore, your commission would have to be paid by one of the parties to the transaction.

Q. I am a real estate agent and a mortgage loan officer. If I want to handle both sides of a real estate transaction, may I do so?

A. Yes. A real estate licensee can also act as a mortgage loan officer in the same transaction if the agent/loan officer discloses that he will receive a fee from both parties to the transaction and obtains consent from the parties to the transaction, i.e., the buyers and the sellers. Although this type of activity is not prohibited by the Real Estate License Act, we do not encourage doing it due to possible conflicts of interest that may occur, and due to the fact that an agent should not put his own financial interests above those of his principal. You should also check with the Texas Savings and Loan Department at www.tsld.state.tx.us to ensure you are following their requirements as well.