

Team Regulation

Team regulation occurs in three ways:

- 1) Team-specific statute
- 2) Team-specific rule
- 3) Application of existing license law



Md. Code Ann., Bus. Occ. & Prof. §§ 17-543 to -548 (2010) (Ch. 670; HB 406)

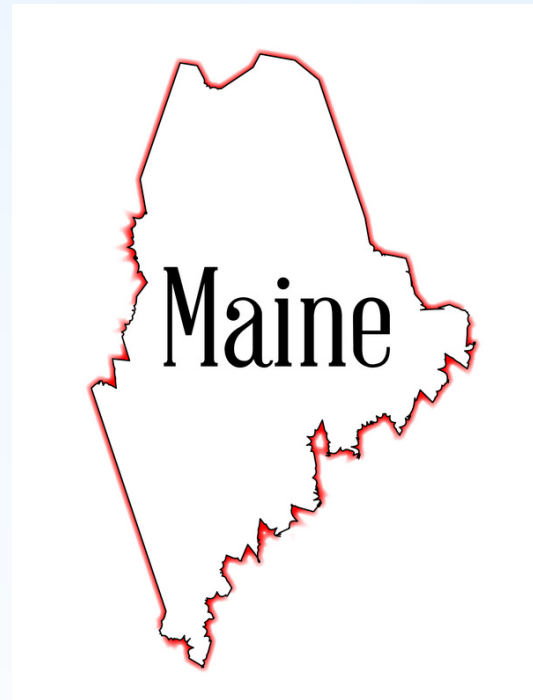
The statute addresses team brokerage. A team of licensed real-estate salespersons and licensed associate real-estate brokers must designate a leader. The leader must have the qualifications required by the statute. The statute also defines the duties of the leader, team members, the real-estate broker and the branch office manager. It permits a form of dual agency via “intracompany agents” who each represent one party to a real-estate transaction. The parties to the transaction using intracompany agents must be given written notice and must be advised that the team has a financial stake in the transaction. The statute also restricts the use of certain terms in the team name and regulates team advertising.

Colorado



4 Colo. Code Regs. § 725–1, E-8 (2014)

Colorado has promulgated a new advertising rule that covers the use of team names. Specifically, all team advertising must include the legal name or trade name of the brokerage firm. Team names may be used on advertising, but the name cannot use certain specific words or phrases “that would imply a separate entity from the brokerage firm with which the team brokers are licensed,” including “realty,” “real estate,” “realtors,” “company,” and the like. The team name may not be used by brokers who are not part of the team’s brokerage firm.



02-039-410 Me. Code R. §§ 1, 4-A, 13 (2009)

Amendments to advertising rules regarding “group or team advertising” and uploading webpages by broker-affiliated licensee without broker’s knowledge and consent.

New York



N.Y. Comp. Codes R. & Regs. tit. 19, § 175.25(E) (2014)

New York has promulgated a regulation addressing the use of team names in advertising. The rule allows team names. A team name must include the full licensed name of the brokers, associate brokers or real-estate salespersons who are on the team, or, if the names are not included, the team name must be followed immediately by the phrase “at/of [full name of broker/brokerage].” The team name also must use the word “team”; the words “associate,” “realty” or “group” are prohibited. Also, names of people who are not licensed may not be included in the team name. If advertising names a nonlicensed person, the advertisement must clearly and conspicuously state which individuals are licensed and which are not licensed.



Ohio Admin. Code 1301:5-1-21 (2012)

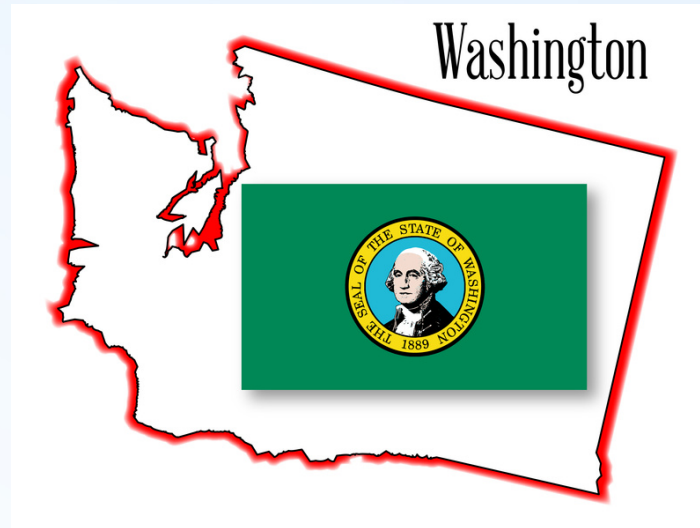
Ohio has amended its advertising rules to include a definition of team advertising. The rule now defines “team” as “any group of two or more associated real estate licensees affiliated with the same broker or brokerage and/or other non-licensed professionals, such as administrative assistants and other professionals specializing in real estate related fields that advertise together and that group is not licensed pursuant to the licensing statute” (Ohio Rev. Code ch. 4735). A team advertisement is permitted if: (1) it includes the name of at least one of its licensees; (2) the name of the licensee’s broker is included and displayed in equal prominence as that of the team name and the salesperson’s name; and (3) it identifies as non-licensed any unlicensed persons whose names are included in the advertisement.



Okla. Admin. Code § 605:10-9-4(b)(3)(D), (F) (2010)

The Oklahoma Real Estate Commission has amended its provisions relating to team advertising by requiring that the “broker reference”—required broker-identification information—be placed close to the team’s name.

See *id.* § 605:10-9-4(b)(3) (describing “broker’s reference”). It also requires that the broker’s reference be included on each page or frame of a licensee’s internet domain or website.



Wash. Admin. Code 308-124B-210 (2010)

Washington has amended its advertising regulation to address “branding” of a brokerage and how to advertise using the “brand” name. The regulation applies when the brokerage is “using a name, title, or brand without obtaining an assumed name license.” The firm’s licensed name must be used as well, and must clear and conspicuous “in conjunction with the use of [the] name title or brand.” The name, title or brand also may not be “commonly understood to reference a firm or an office, such as ‘realty,’ ‘realtors,’ ‘firm,’ or ‘real estate.’”



La. Admin. Code tit. 46:LXVII, §§ 1901, 1903, 1907, 1909, 1911 (2014)

Louisiana has promulgated a rule addressing team brokerage. Teams are permitted, but they must be sponsored by a broker and generally must conduct all business from the office where the team members' individual licenses are held. § 1903. One member of the team must be designated as the contact person, who is responsible for all communications between the sponsoring broker and the team. *Id.* The team name cannot use terms that could suggest to the public that the team is offering brokerage services independent from its sponsoring broker. § 1905. Thus, a team name cannot use the phrases "real estate," "brokerage," "real estate brokerage," "realty," or "company." *Id.* The team can use its name in its advertising if the sponsoring broker agrees in writing. § 1909. The advertising cannot name or refer to an unlicensed person. *Id.*

Other States without Team-specific Statutes/Rules

- Main focus is that team-advertising follow existing state advertising regulations, which will require:
 - Placement of brokerage's name on all advertisements
 - Certain contact information

Meier v. Douglas Elliman Realty (N.Y. 2014)

Intra-team commission dispute; reminder that all payments for team must go to the broker

Members may not use the
REALTOR® trademarks in
connection with team names.

Proper Uses of the REALTOR® Marks:

Hillside Realty, REALTORS®

The Jones Team

Bob Jones, REALTOR®

Sunnyside Realty, REALTORS®

Team Sunshine

Bob and Sue Williams

Uptown Realty, Inc., REALTORS®

Improper Uses of the REALTOR® Marks:

Team Sunshine, REALTORS®
Sunnyside Realty, Inc.

Uptown Realty, Inc.
Bob and Sue Williams, REALTORS®

Team Bob Williams, REALTOR®
Uptown Realty, Inc.

Team Video Takeaway

Existing rules and regulations apply to teams!

- 1) Team advertising=display brokerage's name and anything else required by state law
- 2) All commission payments must go to broker
- 3) Members are not permitted to use the REALTOR® marks in connection with a team name

All of the slides from today's presentation are available on the Window to the Law page of www.realtor.org.

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