Article - Business Occupations and Professions

[Previous][Next]

§17–322.

(a) In this section, "handicap" and "familial status" each have the meanings indicated in the federal Fair Housing Act.

(b) Subject to the hearing provisions of § 17–324 of this subtitle, the Commission may deny a license to any applicant, reprimand any licensee, or suspend or revoke a license if the applicant or licensee:

(1) fraudulently or deceptively obtains or attempts to obtain a license for the applicant or licensee or for another;

(2) fraudulently or deceptively uses a license;

(3) directly or through another person willfully makes a misrepresentation or knowingly makes a false promise;

(4) intentionally or negligently fails to disclose to any person with whom the applicant or licensee deals a material fact that the licensee knows or should know and that relates to the property with which the licensee or applicant deals;

(5) as an associate real estate broker or a real estate salesperson, provides or attempts to provide real estate brokerage services on behalf of a real estate broker without informing in writing any other real estate broker with whom the associate real estate broker or the real estate salesperson is affiliated;

(6) violates § 17–530.1(a) or (b) of this title;

(7) retains or attempts to retain the services of any unlicensed individual as an associate real estate broker or a real estate salesperson to evade the law prohibiting payment of a commission to an unlicensed individual;

(8) guarantees or authorizes or allows another person to guarantee future profits from the resale of real property;

(9) solicits, sells, or offers to sell real property, so as to influence or attempt to influence a prospective party to the sale of real property, by:

(i) offering a prize or a free lot;

(ii) conducting a lottery or contest; or

(iii) advertising "free appraisals", unless the advertiser is prepared to appraise the real estate free of charge for any person, regardless of the purpose for which the person requests the appraisal;

(10) accepts a listing contract to sell real property that fails to provide a definite termination date that is effective automatically without notice from the buyer or the seller;

(11) accepts a listing contract to sell real property that provides for a "net" return to a seller and leaves the licensee free to sell the real property at any price higher than the "net" price;

(12) knowingly solicits a party to an exclusive listing contract with another licensee to terminate that contract and enter a new contract with the licensee making the solicitation;

(13) solicits a party to a sales contract, lease, or agreement that was negotiated by another to breach the contract, lease, or agreement for the purpose of substituting a new contract, lease, or agreement for which the licensee making the solicitation is either the real estate broker or an associate real estate broker or a real estate salesperson affiliated with the real estate broker;

(14) for any transaction in which the licensee has served as or on behalf of a real estate broker, fails to furnish promptly to each party to the transaction a copy of:

(i) the listing contract to sell or rent real property;

(ii) the contract of sale; or

(iii) the lease agreement;

(15) for any transaction in which the licensee has served as or on behalf of a real estate broker, fails to keep a copy of any executed:

(i) listing contract to sell or rent real property;

(ii) contract of sale; or

(iii) lease agreement;

(16) whether or not acting for monetary gain, knowingly induces or attempts to induce a person to transfer real estate or discourages or attempts to discourage a person from buying real estate:

(i) by making representations about the existing or potential proximity of real property owned or used by individuals of a particular race, color, religion, sex, handicap, familial status, or national origin; or

(ii) by representing that the existing or potential proximity of real property owned or used by individuals of a particular race, color, religion, sex, handicap, familial status, or national origin will or may result in:

1. the lowering of property values;

2. a change in the racial, religious, or ethnic character of the block, neighborhood, or area;

3. an increase in criminal or antisocial behavior in the area; or

4. a decline in the quality of the schools serving the area;

(17) uses any of the following material if it includes the name of an organization or association of which the licensee is not a member:

(i) a contract form for the listing of real property for sale, rent, or exchange;

(ii) a contract form for the sale, rent, or exchange of real property; or

(iii) any advertising matter;

(18) as a real estate broker, an associate real estate broker, or a real estate salesperson, advertises the sale or rent of or an offer to buy real property while failing to disclose in the advertisement the name of the advertiser and the fact that the advertiser is a real estate broker, an associate real estate broker, or a real estate salesperson;

(19) advertises in any misleading or untruthful manner or violates § 17–527.2 of this title;

(20) as a licensed associate real estate broker or a licensed real estate salesperson, advertises the sale or rent of or an offer to buy real property in the name of the associate broker or the salesperson while failing to disclose in the advertisement the name of the real estate broker on behalf of whom the associate broker or the salesperson is acting;

(21) except as provided under § 17–604 of this title, for real estate brokerage services provided by an associate real estate broker or a real estate salesperson, accepts a commission or other valuable consideration from any person other than a real estate broker with whom the associate broker or the salesperson is affiliated;

(22) fails to account for or to remit promptly any money that comes into the possession of the licensee but belongs to another person;

(23) pays or receives a rebate, profit, compensation, or commission in violation of any provision of this title;

(24) under the laws of the United States or of any state, is convicted of:

(i) a felony;

(ii) a misdemeanor that is directly related to the fitness and qualification of the applicant or licensee to provide real estate brokerage services; or

(iii) a crime that constitutes a violation of any provision of this title;

(25) engages in conduct that demonstrates bad faith, incompetency, or untrustworthiness or that constitutes dishonest, fraudulent, or improper dealings;

(26) with actual knowledge of the violation, associates with a licensee in a transaction or practice that violates any provision of this title;

(27) violates § 17–320(c) of this subtitle by failing as a real estate broker to exercise reasonable and adequate supervision over the provision of real estate brokerage services by another individual on behalf of the broker;

(28) provides to a party a contract that does not contain a notice of the buyer's right of selection, as required by § 17–524 of this title;

(29) requires a buyer to employ a particular title insurance company, settlement company, escrow company, or title lawyer in violation of § 17–607 of this title;

(30) fails to make the disclosure or provide the consent form required by § 17–530.2 of this title;

(31) violates any provision of Subtitle 5 of this title that relates to trust money;

(32) violates any other provision of this title;

(33) violates any regulation adopted under this title or any provision of the code of ethics;

(34) violates § 17–320(d) of this subtitle by failing as a branch office manager to exercise reasonable and adequate supervision over the provision of real estate brokerage services by any salesperson or associate broker registered with that office; or

(35) has been disciplined under a real estate licensing law of another jurisdiction.

(c) (1) Instead of or in addition to reprimanding a licensee or suspending or revoking a license under this section, the Commission may impose a penalty not exceeding $5,000 for each violation.

(2) To determine the amount of the penalty imposed, the Commission shall consider:

(i) the seriousness of the violation;

(ii) the harm caused by the violation;

(iii) the good faith of the licensee; and

(iv) any history of previous violations by the licensee.

(3) The Commission shall pay any penalty collected under this subsection into the General Fund of the State.

(4) The Commission may not impose a fine based solely on a violation of subsection (b)(35) of this section.

(d) The Commission shall consider the following facts in the granting, denial, renewal, suspension, or revocation of a license or the reprimand of a licensee when an applicant or licensee is convicted of a felony or misdemeanor described in subsection (b)(24)(i) and (ii) of this section:

(1) the nature of the crime;

(2) the relationship of the crime to the activities authorized by the license;

(3) with respect to a felony, the relevance of the conviction to the fitness and qualification of the applicant or licensee to provide real estate brokerage services;

(4) the length of time since the conviction; and

(5) the behavior and activities of the applicant or licensee before and after the conviction.

[Previous][Next]