

### **Section 1450.190 Disclosure of Licensee Status**

A licensee is “selling, leasing or purchasing any interest,” directly or indirectly, for purposes of Section 10-27 of the Act, when the licensee:

- a) Is selling, leasing or seeking to purchase property as sole owner;
- b) Is selling or seeking to purchase property as a joint tenant or tenant by the entirety;
- c) Holds a beneficial interest in a land trust selling, leasing or seeking to purchase an interest in the subject property;
- d) Is a general partner in a partnership selling, leasing or seeking to purchase an interest in the subject property;
- e) Is an officer, director, majority or controlling shareholder of a corporation selling, leasing or seeking to purchase an interest in the subject property; or
- f) Is a manager or majority or controlling member of a limited liability company selling, leasing or seeking to purchase an interest in the subject property.

### **Section 1450.195 Brokerage Agreements and Listing Agreements**

- a) All exclusive brokerage agreements, including all exclusive listing agreements and exclusive buyer brokerage agreements, shall be in writing,
- b) All written buyer brokerage agreements, whether exclusive or non-exclusive, shall contain the following:
  - 1) The agreed basis or amount of compensation, and time of payment;
  - 2) The duration of the buyer brokerage agreement, clearly set forth;
  - 3) The name of the broker and the buyer;
  - 4) The signatures of the parties; and
  - 5) The duties of the buyer’s broker.
- c) All written listing agreements, whether exclusive or non-exclusive shall contain the following:
  - 1) The list price;
  - 2) The agreed basis or amount of commission and the time of payment of the commission;
  - 3) The duration of the listing agreement with a definite termination date, clearly set forth;
  - 4) The name of broker and seller;
  - 5) The identification of property involved (address or legal description);
  - 6) The signatures of the parties; and
  - 7) The duties of the listing broker.
- d) Pursuant to Section 10-25 of the Act, no licensee shall obtain any written brokerage agreement containing a clause automatically extending the period of the contract. Any written brokerage agreement not containing such a provision for automatic expiration shall be void.
- e) Every written brokerage agreement shall expressly provide that no amendment or alteration to the terms, with respect to the amount of commission or with respect to the time of payment of commission, shall be valid or binding unless made in writing and signed by the parties.
- f) No licensee shall use real estate contract forms to change previously agreed commission payment terms.

- g) If a listing agreement provides that, in the event of a default by a buyer, the broker's full commission or fees will be paid out of an earnest money deposit, with the remainder of the earnest money to be paid to the seller, the provision shall appear in the listing agreement in letters larger than those generally used in the listing agreement.
- h) Each brokerage agreement shall clearly state that it is illegal for either the owner or the broker to refuse to display or sell to any person because of one's membership in a protected class, e.g.: race, color, religion, national origin, sex, ancestry, age, marital status, physical or mental handicap, familial status, or any other class protected by Article 3 of the Illinois Human Rights Act.
- i) Each brokerage agreement for a residential property of four units or less, which provides for a protection period subsequent to its termination date, shall also provide that no commission or fee will be due and owing pursuant to the terms of the brokerage agreement if, during the protection period, a valid, Written brokerage agreement is entered into with another licensed real estate broker.
- j) A broker may discuss a possible future brokerage agreement with a consumer whose property is exclusively listed with another broker or who is subject to a written exclusive buyer brokerage agreement only under the following conditions:
  - 1) When the consumer initiates the contact: or
  - 2) When the current broker upon request fails to provide within 10 calendar days the type and expiration date of the brokerage agreement between the consumer and the current broker. The request and response shall be in writing and mailed return receipt requested. If the above information is not received within 14 calendar days, the broker may then contact the consumer only if this information cannot be obtained from another source of shared broker information.