



Montana Department of LABOR & INDUSTRY

MONTANA BOARD OF REALTY REGULATION

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Winter 2019 Edition

CURRENT BOARD MEMBERS

Ric Smith, Industry Member, Chair
Polson, MT Term 5/12/2017 to 5/1/2021
Dan Wagner, Industry Member
Billings, MT Term 7/24/2015 to 5/1/2019
Eric Ossorio, Industry Member
Big Sky, MT Term 7/24/2015 to 5/1/2019
Cindy Lanier, Industry Member
Lakeside, MT Term 7/24/2015 to 5/1/2019
Josh Peck, Public Member
Butte, MT Term 7/24/2015 to 5/1/2019
Julie Gardner, Industry Member
Missoula, MT Term 5/12/2017 to 5/1/2020
Lindsey Hromadka, Public Member
Whitefish MT Term 6/15/2018 to 5/1/2021

DEPARTMENT STAFF

Rhonda Morgan – Executive Officer
Graden Hahn – Board Counsel
Jennifer Stallkamp – Department Counsel
Rita Reichert – Compliance Specialist
Tiffany Huss – Auditor

BOARD MEETING DATES

May 2nd
August 8th
November 7th

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Executive Officer Report

By Rhonda Morgan, Executive Officer

Current active licenses:

- Broker - 2306
- Salesperson - 3632
- Property Manager - 850

Current inactive licenses:

- Broker - 110
- Salesperson - 377
- Property Manager - 20

Total new licenses issued per year:

- 2019 to date: B = 12; S = 133; PM = 21
- 2018: B = 129; S = 694; PM = 191
- 2017: B = 138; S = 584; PM = 104
- 2016: B = 72; S = 502; PM = 116

Administrative Rules Update:

The Board has completed an Administrative Rules changes package and will submit to request a public hearing date. If you would like to receive emails regarding Rules Notices, upcoming board meetings, and general communication and do not yet do so, you can request to be placed on the Interested Parties list. You can do that by sending an email to the Board email box asking to be added to the list.



Advertising Reminders

By Rhonda Morgan, Executive Officer

Here are some items from statute and Administrative Rule pertaining to advertising requirements to serve as a reminder of those requirements and a resource to locate the language.

It is considered unprofessional conduct:

- intentionally misleading, untruthful, or inaccurate advertising, whether printed or by radio, display, or other nature, if the advertising in any material particular or in any material way misrepresents any property, terms, values, policies, or services of the business conducted. A broker who operates under a franchise agreement engages in misleading, untruthful, or inaccurate advertising if in using the franchise name, **the broker does not incorporate the broker's own name or the trade name**, if any, by which the office is known in the franchise name or logotype. [MCA 37-51-321](#)
- acting in a dual capacity of broker and undisclosed principal in a transaction, including failing to disclose in advertisements for real property the person's dual capacity as broker and principal. [MCA 37-51-321](#)
- failing to disclose in advertising the licensee's name and identifying that the advertisement is made by a real estate licensee or that the advertising is made by a brokerage company. [ARM 24.210.641\(ag\)](#)
- Licensees who engage in any form of Internet advertising, including, but not limited to, web sites, blogs, video streaming, and social media, either directly or indirectly, shall comply with the Internet advertising rules set out in this rule. [ARM 24.210.430](#)

UPCOMING COURSES

March 6, 2019
Trust Account Course, 4 hours
Bozeman
Gallatin Association of Realtors
406-585-0033

April 17 & 18, 2019
Rookie Course
Kalispell
[Northwest Montana Association of Realtors](#)

May 9 & 10, 2019
Rookie Course
Bozeman
Gallatin Association of Realtors
406-585-0033

May 24, 2019
Supervising Broker Pre-Endorsement Course
Polson
[Northwest Montana Association of Realtors](#)

Scheduled upcoming courses can always be found on our website home page.
www.realestate.mt.gov

Q&A

Q: Does the supervising broker ending the relationship need to do an end date online if the salesperson is known to be transferring to a different supervising broker?

A: No. We have found that it works better within the database if the exiting supervising broker does NOT go online and enter an end date. The new supervising broker should just go online and add them to their relationships. This is considered a "steal," and if done this way, we avoid any timing problems if they were entered very close together. Now, if a supervising broker feels it necessary to release a salesperson and terminate a relationship without knowing if they are transferring to another, you can/should still go in and enter an end date to make sure that relationship has been terminated.

Q: Does a salesperson license address automatically change when added to a new supervising broker relationship?

A: No. The salesperson must go online and change their address to the broker business address.



Auditor's Corner

By Tiffany Huss, Auditor

Licensees often ask how long they must keep their records, but rarely do they ask why. For everyone who wants to know and those who may have asked, here goes:

Q. How long do I have to keep trust account records, owner and tenant records, and real estate transaction records?

A. Board-required records, described under ARM 24.210.601 and 24.210.805, must be maintained for not less than eight years from the date:

- a. the property management agreement terminates; or
- b. the latter date of receipt or the date the real estate transaction was completed.

Additionally, a property manager is not relieved of this requirement in the event they sell or ceases to operate their business.

Q. Eight years is a long time and a lot of storage space. Why eight years?

A. The records retention period was set to match the statute of limitations on written contracts (refer to [27-2-202\(1\), MCA](#)). Also, the period permits thorough investigation of complaints and auditing for compliance with applicable statutes and rules.

Additional information can be found in the 2012 Montana Administrative Register Notice No. 24-210-37. The direct links to the Notice are:

- Notice of Public Hearing on Proposed Amendment and Adoption:
<http://www.mtrules.org/gateway/ShowNoticeFile.asp?TID=4028>
- Notice of Amendment and Adoption:
<http://www.mtrules.org/gateway/ShowNoticeFile.asp?TID=4374>

You are **always** welcome to contact us if you have questions, comments, or concerns. However, we are unable to provide legal advice.

If you have questions about statute of limitations, written contracts, and/or civil liability, remedies, etcetera, you are encouraged to contact independent legal counsel.

