

Exhibit 8  
Fifty State Survey of Real Estate Broker Statutes:  
Impact on General Business Brokers and  
Intermediaries

## Fifty-State Survey of Real Estate Brokers Statutes: Impact on General Business Brokers and Intermediaries

Prepared by Craig McCrohon  
Holland & Knight LLC  
craig.mccrohon@hkllaw.com

### Introductory Note

The survey includes summaries of selected provisions of the real estate brokerage statutes in each of the fifty states. These statutes apply indirectly to general business brokerage, since virtually every state will consider a transaction that includes either a leasehold or owned property as qualifying as a transfer of real estate. Failure to obtain a real estate license in each of the states will not likely result in administrative action against the business broker, since most states do not vigorously enforce these laws. Nevertheless, brokers and intermediaries should be aware of these statutes in the event that a client asserts - as a defense against payment of commissions - that the broker is not qualified to sell real estate.

The descriptions reflect the variety of statutory approaches to the regulation of brokers. Note that in addition to the statutory restrictions, each state law is affected by court decisions as well as the interpretations of the state agencies responsible for the administration of the statutes.

### Interpretation of Real Estate Statutes

Unless otherwise noted, the real estate brokerage statutes do not include direct references to the brokerage of either "businesses" or "business opportunities". Judicial expansion of these statutes that are otherwise silent is more likely if the statutory definition is brief, and the categories of items included are general. Statutes with detailed lists of what is included in real estate are more likely to be interpreted as excluding businesses and business opportunities. Additional research for a particular state can confirm the applicability of the law. Similarly, where a statute is silent regarding inclusion of a "lease", the more detailed a list, the more likely a court will conclude that it excludes all leases, even those with unusually long lease terms. More general statutes may be subject to interpretation as including leaseholds, even though not explicitly mentioned.

### Securities Laws Matters

Federal and state securities laws may apply if the broker assists with the sale of stock or debt of an entity. The Securities Exchange Act of 1934 may treat the stock certificate or promissory note of a small, closely held company in the same manner as the stocks or bonds of a publicly traded company. Thus, the private intermediary might require a similar license as that required of the brokerage house dealing in public securities. The Securities and Exchange Commission, the federal agency responsible for administering the federal statute, will review the facts and circumstances of the intermediary's firm to determine whether broker registration requirements apply. In general, a broker must be "regularly engaged" in stock or debt transactions. An occasional transaction by a broker acting alone, or with one other partner, will not likely require registration. A firm that includes several professionals who, collectively, expect several stock or debt transactions per year, will likely be deemed a "broker" for purposes of the Securities Exchange Act. Brokers working in such firms should consult an attorney to determine whether registration is appropriate.

### Disclaimer

The information included in these summaries and the following chart provide general information. They are not designed to be and should not be relied on as a sole source of information when analyzing and resolving a specific legal issue. Each fact situation is different; the laws are constantly changing. If you have specific questions regarding a particular fact situation, legal counsel should be consulted.

**ALABAMA**

Permits co-brokerage agreement with nonresident brokers under written agreements which binds broker to state law * Definition of real estate: parcel or tract of land, including improvements; sale, lease, purchase, investment in real property	Class A misdemeanor; fine of not less than \$25 nor more than \$1,000, or both; possible revocation or suspension of license; other possible disciplinary action	Alabama Real Estate Commission (334) 242-5544	Yes	Written disclosure form required as set forth in statute "Broker" includes transfer of a business, business opportunity, or goodwill
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**ALASKA**

Definition of real estate: land, including improvements Permits co-brokerage arrangements	Class A misdemeanor for acting without license; civil penalty may be imposed which may not exceed \$5,000, or the amount of gain plus \$5,000, for each offense; other possible disciplinary proceedings	Alaska Real Estate Commission (907) 269-8162	No	Disclosure of agency relationship in writing to buyer or seller required at the time the broker begins to provide assistance
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**ARIZONA**

May pay to and receive commissions from broker lawfully operating in another state * Definition of real estate: any estate in land, leasehold, and business or business opportunity	Class Six (6) felony; civil penalty not to exceed \$1,000 for each violation	Arizona Real Estate Department under direction of the Real Estate Commission (602) 468-1414	Yes	None specified
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**ARKANSAS**

Definition of real estate: any interest in land, including leaseholds	Class D felony for acting without license or violating any provision of chapter; penalty not to exceed \$1,000; possible suspension, revocation or denial of license; other sanctions	Arkansas Real Estate Commission (501) 683-8010	No	Agency relationship of the brokers; clear disclosure of representation by licensee required to all parties involved
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**CALIFORNIA**

May pay a commission to a broker of another state; licensed not required if sale involves an enterprise subject to regulation by the FCC; "broker" includes any one who sells real property or a business or business opportunity * Definition of real estate: undefined	Fine of up to \$10,000, six months in jail, or both; for corporation acting without license, fine of up to \$50,000	California Real Estate Department (916) 227-0782	No	None specified
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**COLORADO**

x "Broker" includes transfer of a business, business opportunity, or goodwill Definition of real estate: Undefined	Fine of not more than \$500, six months in county jail, or both; if a corporation, fine of not more than \$5,000; for second violation for natural person, fine of not more than \$1,000, jail for six months, or both	Colorado Real Estate Commission (303) 894-2166	No	Must disclose to buyer, seller, landlord, or tenant the different brokerage relationships in transaction
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**CONNECTICUT**

Out-of-state brokers may obtain a license without taking the Connecticut Exam under certain situations  Transitions include the sale, exchange, lease or sublease of commercial real property Definition of real estate: Undefined	Fine of up to \$1,000, imprisonment for six months, or both; ineligibility to obtain license for one year following; additional civil penalty up to \$2,000	Connecticut Real Estate Commission (806) 566-4292	Yes	Broker must disclose to seller or buyer who he represents at the beginning of the first personal meeting
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**DELAWARE**

x Must be registered and have certificate of registration to practice as real estate broker Definition of real estate: lands, tenements, and hereditaments; business or business opportunity not included	Fine between \$200 - \$1,000, or six months in jail, or both; if corporation, fine of \$200 - \$1,000; punishment may include a public reprimand	Delaware Real Estate Commission (302) 739-4522	No	Identity of person being represented by broker at first "substantial contact" with any possible party to the transaction
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**DISTRICT OF COLUMBIA**

Definition of real estate: condominiums, leaseholds, any other interest in land	Fine of not more than \$2,500, not more than 1 year imprisonment, or both; possible suspension or revocation of license; any additional penalties as appropriate; additional civil penalty of up to \$1,000	Real Estate Commission of the District of Columbia (202) 442-4400	No	Disclosure of brokerage relationships required in writing at earliest practical time but not later than when the specific real estate event is first provided; forms provided in statute
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**FLORIDA**

x Cannot operate as broker or salesperson of a business or business opportunity without a license; contracts of unlicensed person commission are invalid; "broker" includes sale of business or business opportunity Definition of real estate: interests in land and business interests and opportunities	Misdemeanor of the second degree; fine not to exceed \$1,000 for each count or separate offense; possible denial of application, probation, or revocation of license	Florida Real Estate Commission (407) 245-0800	Yes	Fiduciary duty of broker to buyer or seller is defined to include full disclosure
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**GEORGIA**

Cannot recover of commissions unless licensed; fee-splitting with nonresidents not allowed  
 Definition of real estate: land, leases

Fine not to exceed \$1,000 for each violation; fine not to exceed \$5,000 for multiple violations; possible revocation or suspension; injunctive action by commission; any other sanctions as necessary

Georgia Real Estate Commission  
 (404) 656-3916

Yes

Duty to display license conspicuously in broker's place of business

**HAWAII**

Fee-splitting with nonresidents not allowed  
 Definition of real estate: real property, leaseholds, and other interests; business or business opportunities included

Fine of not more than \$5,000; possible revocation or suspension of license; possible disciplinary action; repayment in full of all obligations to the real estate recovery fund

Hawaii Real Estate Commission  
 (808) 586-2643

No

Licensed broker shall maintain a definite place of business in the State, and shall display therein the real estate broker's license and upon request make available any associating real estate salesperson's license.

**IDAHO**

License required for recovery of commissions; fee-splitting with nonresidents not allowed; "broker" includes sale of business or business opportunity where such transfer includes any real estate  
 Definition of real estate: not defined

Fine of not more than \$1,000, imprisonment of not more than 1 year, or both; for a corporation, a fine of not more than \$2,500; in addition the possible sanctions for violating the statute may be imposed: a civil penalty not to exceed \$5,000; costs and attorney's fees; possible revocation or suspension of license; other disciplinary action

Idaho Real Estate Commission  
 (208) 334-3285

No

Must disclose to buyer or seller types of representation available to them, and the duties and obligations of the broker at the first substantial business contact; form and contents provided for in the Act

**ILLINOIS**

Recovery of commissions for act or service by unlicensed person prohibited; fee-splitting with nonresidents not prohibited as long as non-resident is licensed as a real estate broker in his state  
 Definition of real estate: leaseholds, other interest or estate in land, time-share interests, and whether the real estate is situated in this State or elsewhere  
 Penalty not to exceed \$5,000; for other violations - for individual: guilty of Class A misdemeanor

meanor for first offense, Class 4 felony for second offense; for limited liability company or corporation - fine not to exceed \$10,000 for first offense, fine not less than \$10,000 and not more than \$25,000 for second offense; also civil penalties may be assessed up to \$10,000 for engaging in real estate activity without license, and further injunctive or disciplinary action may be taken

Illinois Office of Banks and Real Estate  
 (217) 782-7966  
 (312) 793-2043

Yes

Must disclose in writing to the buyer or seller the agency relationship with the licensee and material facts of the transaction

Note: Illinois has a statute specifically governing general business brokerage activities; disclosure requirements include details concerning the contract with the client and certain background information regarding the business broker; disclosure and record keeping requirements substantially greater than under real estate brokers licensing statute; contract void for any material non-compliance; criminal penalties apply; certain exemptions where real estate is the dominant element of a transaction; exemption from disclosure requirements in cases of clients with significant net worth or income (e.g. \$1 million net worth or income exceeding \$200,000 annually); brokers may file a lien on the assets of the business that is sold until fees are paid.

The Business Brokers Act is enforced and interpreted by the Securities Department, Illinois Secretary of State (217-782-2256).

**INDIANA**

Definition of real estate: right, title and interest in land	Class B infraction; any fine imposed or the amount of any fee or other compensation earned in the commission of the offense can be charged to the violator; injunctive action	Indiana Real Estate Commission (317) 232-2906	No	To buyer or seller the identify of person hiring broker; disclose agency relationship
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**IOWA**

X Required to maintain actions for the recovery of compensation: fee-splitting with non-residents not allowed	Simple misdemeanor for first offense; possible revocation or suspension of license	Iowa Real Estate Commission (515) 281-3183	No	Affirmative written disclosure must be made to all parties to the transaction identifying which party that person represents in the transaction
Definition of real estate: property and business opportunities that involve any interest in real property				

**KANSAS**

Prerequisite for maintaining actions for the recovery of fees or commissions; case law suggests that brokers conducting transactions for real property should obtain a license before obtaining a commission	Misdemeanor; first offense - fine of not less than \$100 or more than \$1,000, imprisonment for not more than 12 months, or both; second and subsequent offenses - fine of not less than \$1,000 or more than \$10,000, imprisonment for not more than 12 months, or both; civil fine not exceeding \$500 for each violation	Kansas Real Estate Commission (785) 296-3411	No	Written agency agreements disclosing relationship of broker to buyer or seller required unless otherwise exempted
Definition of real estate: interests in land and leasehold estates				

**KENTUCKY**

Fee-splitting prohibited; case law suggests that brokers conducting transactions for real property should obtain a license before obtaining a commission	Fine not to exceed \$500, order to licensee to pay restitution; possible revocation or suspension of license; possible injunctive action by the Kentucky Real Estate Commission; other sanctions; possible additional penalty of not less than \$100 and not more than \$1,000, prison for no more than six months, or both	Kentucky Real Estate Commission (502) 564-2205	Yes	None specified
Definition of real estate: not given				

**LOUISIANA**

<p>Unlicensed persons cannot recover brokerage charges; license required for a "single act"                  Definition of real estate: shall mean and include condos and leaseholds, as well as any other interest in land</p>	<p>Possible revocation or suspension of license; other sanctions</p>	<p>Louisiana Real Estate Commission                  (225) 925-4773</p>	<p>Yes</p>	<p>Licensee to provide the parties with an agency disclosure informational pamphlet and where applicable a dual agency disclosure form</p>
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**MAINE**

<p>X Prerequisite to maintaining actions for the recovery of fees or commissions; allowed to share compensation with a nonresident licensee when the service by the nonresident is performed outside the state                  Definition of real estate: all estate and interests in land, and an existing business if real estate is part of the business</p>	<p>Fine of not more than \$2,000 for each violation, plus the amount of compensation received in the subject transaction, imprisonment for not more than six months, or both; possible revocation or suspension of license; injunctive action by commission; other disciplinary sanctions</p>	<p>Maine Real Estate Commission                  (207) 624-8515</p>	<p>Yes</p>	<p>Must provide in a timely manner to buyers and sellers a written real estate brokerage agency relationship disclosure form</p>
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**MARYLAND**

<p>Prerequisite for actions for the recovery of fees or commissions; fee-splitting allowed if the other state allows fee earned in that state to be shared with a licensed individual of Maryland; no license is needed if transfer of business does not include any interest of real estate other than a lease                  Definition of real estate: any interest in real property</p>	<p>Misdemeanor; on conviction, fine not exceeding \$5,000, imprisonment not exceeding one year, or both</p>	<p>Maryland Real Estate Commission                  (410) 333-623</p>	<p>Yes</p>	<p>Upon first scheduled face-to-face meeting, must disclose in writing the nature of the representation as provided by the statute</p>
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**MASSACHUSETTS**

<p>Prerequisite to maintain an action for the recovery of fees or commissions                  Definition of real estate: every interest in land including leaseholds and improvements</p>	<p>Fine of not more than \$500</p>	<p>Massachusetts Board of Registration of Real Estate Brokers and Salesmen                  (617) 727-2373</p>	<p>No</p>	<p>None specified</p>
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### MICHIGAN

<p>Prerequisite to maintaining actions for the recovery of fees or commissions; fee-splitting with nonresident real estate broker allowed if the nonresident licensed broker does not conduct in this state a negotiation for which a commission is paid; "broker" includes sale of business or business opportunity, or goodwill of existing business</p>	<p>ness Definition of real estate: land, leasehold, coop, or condo</p>	<p>Misdemeanor punishable by a fine of not more than \$500, imprisonment for not more than 90 days, or both; for second or subsequent offenses, guilty of misdemeanor punishable by a fine of not more than \$1,000, imprisonment for not more than one year, or both</p>	<p>Michigan Real Estate Board (517) 241-9288</p>	<p>No Must disclose to potential buyer or seller all types of agency relationships and all duties that said relationships create prior to the disclosure by the potential buyer or seller to the broker of any confidential information in disclosure form as provided by statute</p>
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### MINNESOTA

<p>Prerequisite to maintaining actions for the recovery of fees or commissions; "broker" includes one who sells, rents, or manages any business or business opportunity Definition of real estate: any identifiable parcel or tract of land including improvements</p>	<p>Gross misdemeanor; possible suspension or revocation of license; other disciplinary action</p>	<p>Minnesota Real Estate Advisory Commission (651) 296-6319</p>	<p>No</p>	<p>Must disclose how the broker will represent the interests of the buyer and seller and agency relationships, in writing and conforming with the form provided by the statute</p>
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### MISSISSIPPI

<p>Prerequisite to maintaining actions for the recovery of fees or commissions Definition of real estate: any interest in land or leasehold</p>	<p>For first offense - fine of not less than \$500 and not more than \$1,000, imprisonment for not more than 90 days, or both; for second or subsequent violation - fine of not less than \$1,000 nor more than \$2,000, imprisonment not to exceed six months, or both; for a corporation - fine of not less than \$2,000 and not more than \$5,000</p>	<p>Mississippi Real Estate Commission (601) 987-3969</p>	<p>No</p>	<p>Written disclosure statement required for any transferor of real property subject to §§89-1-501 through 89-1-523 of Mississippi statute as provided; agency relationship between broker or salesperson and transferor or transferee must be disclosed in express written agreement</p>
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### MISSOURI

<p>Prerequisite to maintaining actions for the recovery of fees or commissions; may pay fees to broker regularly engaged in the real estate brokerage business outside Missouri Definition of real estate: leaseholds, or any other interest in land</p>	<p>Class B misdemeanor for knowing violation; possible civil or criminal liability under any other laws of state; complaint and injunctive action against individual</p>	<p>Missouri Real Estate Commission (573) 751-2628</p>	<p>Yes</p>	<p>Written disclosure identifying and describing agency relationships between brokers and affiliated licensees and sellers, buyers, landlords, or tenants required, via current broker disclosure form as prescribed by commission, at the earliest practicable opportunity or following the first substantial contact</p>
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**MONTANA**

Prerequisite to maintaining actions for the recovery of fees or commissions; may pay a commission to a licensed broker of another state if the nonresident broker does not conduct in Montana a service for which a fee, compensation, or commission is paid Definition of real estate: leaseholds and other interests in land	For first violation - guilty of misdemeanor and fine of not less than \$100 or more than \$500, imprisonment for a term not to exceed 90 days, or both; for second or subsequent violation - fine of not less than \$500 or more than \$2,000, imprisonment for a term not to exceed six months, or both; possible additional civil penalties of not less than the sum of money received and not more than three times the money received	The Board of Realty Billings Montana (406) 248-7145	No	Must disclose in writing the existence and nature of relationships to the parties of the transaction; timing and substance of disclosure for each type of agency relationship is provided for in the statute
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**NEBRASKA**

Prerequisite to maintaining actions for the recovery of fees or commissions; not allowed to share fees with any person without a license, unless such nonresident is licensed in his or her state of residence Definition of real estate: condominiums, leaseholds, as well as any other interest in land	Class II misdemeanor; complaint and injunctive action against violator	Nebraska Real Estate Commission (402) 471-2004	No	None specified
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**NEVADA**

Prerequisite to maintaining actions for the recovery of fees or commissions; a licensed real estate broker may pay a commission to a licensed broker of another state; "broker" includes sales or exchanges of "any business or real estate thereon" Definition of real estate: any interest in real property	Gross misdemeanor; guilty of category D felony for knowing violation; if limited liability company, partnership, corporation, or association, punishable by a fine of not more than \$2,500; possible payment of restitution; other possible civil liability and disciplinary action	Nevada Real Estate Commission (702) 486-4033	Yes	Must disclose in writing the agency relationships between the client and the broker
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**NEW HAMPSHIRE**

Prerequisite to maintaining actions for the recovery of fees or commissions; fee-sharing with out-of-state broker allowed as long as that broker is licensed and doing business regularly and legally in that broker's state Definition of real estate: leaseholds and any other interest in land and business opportunity, which involve any interest in real estate	Misdemeanor	New Hampshire Real Estate Commission (603) 271-2701	Yes	Licensee may act as dual agent only with written consent of all parties to transaction
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**NEW JERSEY**

Prerequisites to maintaining actions for the recovery of fees or commissions Definition of real estate: land, tenements, hereditaments, and any rights and interests in such lands	Fine of not less than \$250, nor more than \$50,000 per violation; civil penalty of two times damages plus costs	New Jersey Real Estate Commission (609) 292-8300	No	Full disclosure of information regarding land sales required
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**NEW MEXICO**

Prerequisite to maintaining actions for the recovery of fees or commissions Definition of real estate: land, improvements, leaseholds, and other interests that are less than a fee simple	Misdemeanor; for individuals, fine of not more than \$500, six months imprisonment, or both; for corporations, fine of not more than \$1,000; additional civil penalty may not exceed \$5,000 per violation and fees and costs	New Mexico Real Estate Commission (505) 841-9120	No	None specified
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**NEW YORK**

Prerequisite to actions for commissions; splitting commissions with nonresidents not allowed Definition of real estate: includes the sale of a business where the value of the real estate transferred as part of the business is not merely incidental and shall not include the assignment of a lease	Misdemeanor; penalty of not less than any commission, compensation or profit received and not more than four times that amount, plus any additional penalty as assessed against violator	New York Real Estate Commission (518) 486-9876	Yes	Disclosure regarding real estate agency relationship required; disclosure form provided in statute (must be writing)
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**NORTH CAROLINA**

Definition of real estate: land, including the air above and the ground below and all improvements and appurtenances to such	Class I misdemeanor; possible suspension or revocation of license; other disciplinary action; repayment in full of any obligations	North Carolina Real Estate Commission (919) 875-3700	No	None specified
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**NORTH DAKOTA**

Prerequisite to maintaining actions for the recovery of fees or commissions; nonresident broker's license recognized in North Dakota if the other state has the same privilege for North Dakota licensed brokers Definition of real estate: any interest or estate in land, including leaseholds, whether such interest	Guilty of "Infraction"; possible injunctive action to enforce law	North Dakota Real Estate Commission (701) 328-9749	No	Relationships between the broker and buyer and seller must be disclosed and in a written agreement
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**OHIO**

<p>No licensed real estate broker or licensed foreign real estate dealer shall pay a commission, fee, or other compensation License may be required depending on the relevance of the real estate, if any, involved in the business or business opportunity transaction Definition of real estate: leaseholds as well as any and every interest or estate in land situated in this state, and the improvements on the land</p>	<p>Misdemeanor of the first degree; possible suspension or revocation of license; fine not exceeding \$2,500 per violation; other possible sanctions</p>	<p>Ohio Real Estate Commission (614) 521-3387</p>	<p>Yes</p>	<p>Written disclosure required</p>
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**OKLAHOMA**

<p>Prerequisite to maintaining actions for the recovery of fees or commissions, cooperative brokerage agreements allowed between licensed Oklahoma broker and licensed out-of-state broker Definition of real estate: any interest or estate in real property, including leaseholds</p>	<p>Misdemeanor punishable by not more than \$1,000, six months, in jail, or both; injunctive action; administrative fine not less than \$100 and not exceeding \$2,000 for each violation and not exceeding \$5,000 for all violations resulting from single transaction</p>	<p>Oklahoma Real Estate Commission (405) 521-3387</p>	<p>No</p>	<p>Written disclosure required</p>
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**OREGON**

<p>Prerequisite for maintaining actions for the recovery of fees or commissions; fee-sharing allowed if nonresident broker's state provides similar privileges and nonresident broker does not conduct negotiations in Oregon; case law suggests that a broker involved in the sale of a business which incidentally results in the transfer of real estate does not need a license Definition of real estate: any and every interest in real estate including leaseholds</p>	<p>Class A misdemeanor punishable by fine of not less than \$100 nor more than \$500 for the first offense; fine of not less than \$500 nor more than \$1,000 for second and subsequent offenses; requires forfeiture of profit from transactions; civil penalty of not more than \$1,000 for each offense</p>	<p>Oregon Real Estate Agency (503) 378-4170</p>	<p>No</p>	<p>Agent of buyer or seller has an affirmative obligation to disclose; agency disclosure form required as set forth in statute</p>
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**PENNSYLVANIA**

Prerequisite to maintaining actions for the recovery of fees or commissions: case law suggests no license is required for sale of business if such sale is separate and distinct from transfer of real estate Definition of real estate: any interest or estate in land	For first offense - guilty of summary offense not to exceed \$500, three months imprisonment, or both; for second offense - guilty of felony of third degree with fine not less than \$2,000 but more than \$5,000, imprisonment for not less than one year but not more than two, or both; additional civil penalty may be levied up to \$1,000	Pennsylvania Real Estate Commission (717) 783-3658	Yes	Required in writing to seller or buyer: statement that the broker's commission and the time period of the listing have been determined by negotiations between the broker and seller; description of the purpose of Real Estate Recovery fund and telephone number; and information regarding agency relationship and zoning classification
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**RHODE ISLAND**

Required to maintain action for recovery of fee or commission Definition of real estate: interest or estate in land, including leaseholds	Misdemeanor, fine of \$100 to \$500, imprisonment for up to 1 year, or both; if corporation, fine of \$1,000 to \$2,000; for 2nd or subsequent offenses, fine of \$500 to \$1,000, imprisonment for up to 2 years, or both; if corporation, fine of \$2,000 to \$5,000; liability for at least fee or commission received, and up to 3 times the sum	Rhode Island Real Estate Commission (401) 222-2255	No	Disclosure of agency relationship as seller, buyer, or dual agent required on disclosure forms provided by statute
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**SOUTH CAROLINA**

Definition of real estate: leasehold and any interest in land opportunity	Misdemeanor punishable by fine up to \$500, six months imprisonment, or both; possible denial of license; other disciplinary or civil actions	South Carolina Real Estate Commission (803) 737-0700	No	Agency relationships must be disclosed in a completed agency disclosure form in a timely manner
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**SOUTH DAKOTA**

Prerequisite to maintaining actions for the recovery of fees or commissions; compensation of unlicensed persons prohibited; "broker" as person who sells or exchanges a business or business opportunity, or its goodwill, inventory or fixtures Definition of real estate: any interest or estate in real property or the property's improvements, and includes leaseholds, condominiums, air rights; does not include business or business opportunity and mineral rights	Class One misdemeanor; possible suspension of license, reprimand of licensee, or monetary penalty not to exceed \$2,500, or a combination of sanctions	South Dakota Real Estate Commission (605) 773-3600	No	Agency agreement must disclose in writing the type of agency relationship established and compensation to be paid
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TENNESSEE				
Prerequisite to maintaining actions for the recovery of fees or commissions; broker may pay commission to nonresident broker if latter does not conduct negotiations in Tennessee for which commission is paid; case law suggests the a business broker could collect a commission is real estate is small in proportion to the overall transaction Definition of real estate: leaseholds, as well as any other interest or estate in land	Class B misdemeanor; inability to obtain license for one year from time of offense; liability for penalty no less than fee or commission received or up to three times the amount of any fee or compensation received; injunctive action	Tennessee Real Estate Commission (615) 741-2273	Yes	Must disclose role in transaction and any subsequent changes in that role to other parties

TEXAS				
Prerequisite to bringing actions for the recovery of fees or commissions Definition of real estate: a leasehold or any other interest in land	Misdemeanor punishable by fine of \$100 to \$500, up to one year imprisonment, or both for individuals; for corporation fine of \$1,000 to \$2,000; for second or subsequent offenses, \$500 to \$1,000, imprisonment up to two years, or both for individuals, and \$2,000 to \$5,000 for corporation; liability for at least the commission or fee received up to three times the sum; additional administrative penalty for up to \$1,000	Texas Real Estate Commission (512) 465-3900	Yes	Must disclose agency relationships between parties in the transaction at first contact via written statement as provided for in statute

UTAH				
Prerequisite to maintaining actions for the recovery of fees or commissions Definition of real estate: leaseholds and business opportunities involving real property	For first offense, guilty of Class A misdemeanor, imprisonment not to exceed six months; for second or subsequent violations, third degree felony, imprisonment not to exceed two years, or both; liability for not less than the fee or commission received up to three times the amount of the fee or commission received	Utah Real Estate Commission (802) 828-3228	No	None specified

VERMONT				
Definition of real estate: any interest or estate in land, excepting leaseholds	Fine of not more than \$2,500; possible revocation or suspension of license	Vermont Real Estate Commission (802) 828-3228	No	None specified
VIRGINIA				
License required for single act of compensation or valuable consideration of buying or selling real estate; case law suggests business broker may not need to be licensed for the sale/exchange of an entire business Definition of real estate: not defined	Revocation of license upon payment from real estate recovery fund; other possible disciplinary action against regulator	Virginia Real Estate Board (804) 367-8552	Yes	Must disclose to buyer or seller any broker relationship with another party to the transaction at the earliest practical time
WASHINGTON				
Prerequisite to maintaining a suit or action for the recovery of commissions; unlawful for licensed broker to pay any party of his commission or compensation to any person who is not licensed in any state in the U.S.; "broker" includes person who sells business opportunities or interest therein Definition of real estate: not defined	Gross misdemeanor	Washington Real Estate Commission (360) 586-6101	Yes	Disclosure of all parties represented by the broker required as well as ongoing disclosure of offers received by the broker
WEST VIRGINIA				
Prerequisite to maintaining actions for the recovery of fees or commissions Definition of real estate: any interest or estate in land and anything permanently affixed to land	Misdemeanor for individuals and fine of not less than \$1,000 and not more than \$2,000, confinement in jail for not more than 90 days, or both, for first offense; or fine of not less than \$2,000 and not more than \$5,000, jail for not more than one year, or both for second or subsequent offenses; for corporations, fine of not less than \$2,000 and not more than \$5,000; confinement in jail for not more than one year, or both for first offense and fine of not less than \$5,000 and not more than \$10,000 for second or subsequent offenses	West Virginia Real Estate Commission (304) 558-3555	No	None specified

**WISCONSIN**

Prerequisite to maintaining actions for the recovery of fees or commissions; no referral or finder's fee to a person who is either not licensed or registered in Wisconsin or regularly and lawfully engaged in real estate brokerage in another state; "broker" includes person who facilitates the sale or purchase of any business, its goodwill, inventory, or fixtures  
Definition of real estate: not defined

Fine of \$1,000, imprisonment of not more than six months, or both; possible revocation or suspension of license

Wisconsin Real Estate Commission  
(608) 266-5432

Yes

Must disclose in writing to client the terms and conditions of the brokerage services; must disclose to all parties represented by the broker

**WYOMING**

Unlawful to compensate any person who is not a licensed, but licensed broker may pay to a licensed broker of another state if the nonresident did not conduct business in Wyoming  
Definition of real estate: any interest in land including leaseholds

Misdemeanor, punishable by a fine of not more than \$1,000, imprisonment not to exceed six months, or both for first offense; for second or subsequent convictions - fine of not more than \$1,000, imprisonment not to exceed one year, or both; for corporations, fine of not more than \$5,000; possible suspension or revocation of license and injunctive action

Wyoming Real Estate Commission  
(307) 674-6362

No

Written disclosure of all applicable broker relationships required; receipt of disclosure to be acknowledged by buyer or seller; notice of such relationship to be provided at the earliest reasonable opportunity