

Notice Regarding New Agency Law Forms

As you may have heard, the bill to delay the effective date of the new agency law was not acted upon by the Senate. Therefore, the new Delaware Agency law is in effect. The Delaware Real Estate Commission's (DREC) implementing regulations and Consumer Information Statement (CIS) for sales of 1-4 family residential property went into effect July 11th, and the CIS for residential rentals and commercial transactions went into effect July 19th. These forms are available on the web page of DREC at www.dpr.delaware.gov/realestate

The CIS replaces the notice of agency relationships, the dual agency consent agreement, and the agency language in the Agreement of Sale. To accomplish this, a new addendum to the Agreement of Sale is available from your association.

The new law does not apply to listings and buyer agency relationships prior to June 8th unless you want to go back to those sellers and buyers to have them sign a CIS and explain that you will be covered by the new law. This should be decided as a matter of company policy.

For listings and buyer agency relationships, entered into after June 7th, you should go back to those clients and provide them with a CIS to be completed. You can explain that technically there was a new law, but we did not have the CIS forms to use until now.

For Commercial sales and rentals, DREC approved a CIS on July 19th. For commercial transactions, common law with the old agency disclosure may still be used rather than the CIS and new law.

The CIS forms are State of Delaware forms from DREC and may not be modified or reformatted. Each form is provided on the DREC web site in brochure format and regular letter size paper.

Further education regarding the new law and forms is forthcoming.