

## **Definitions:**

(1) "Real estate brokerage" means a single, multiple, or continuing act of dealing in time shares or options, selling or offering for sale, buying or offering to buy, negotiating the purchase, sale, or exchange of real estate, engaging in property management, leasing or offering to lease, renting or offering for rent, or referring or offering to refer for the purpose of securing prospects, any real estate or the improvements thereon for others for a fee, compensation, or other valuable consideration;

(2) "Commission" means the Kentucky real estate commission;

(3) "Net listing" means a listing agreement that provides for a stipulated net price to the owner and the excess over the stipulated net price to be received by the licensee as the fee compensation or other valuable consideration;

(4) "Principal broker" means a person licensed as a broker under KRS 324:046 who, in addition to performing acts of real estate brokerage or transactions comprehended by that definition, is the single broker responsible for the operation of the company with which he or she is associated;

(5) "Real estate" means real estate in its ordinary meaning and includes timeshares, options, leaseholds, and other interests less than leaseholds;

(6) "Sales associate" means any person licensed in accordance with KRS 324:046(2) that is affiliated with a Kentucky-licensed principal broker and who, when engaging in real estate brokerage, does so under the supervision of the principal broker;

(7) "Approved real estate school" means:

(a) A school that has been given a certificate of approval by the State Board for Proprietary Education or other regulatory bodies that exercise jurisdiction over accreditation and approval and the Kentucky real estate commission. The school shall also be currently in good standing with both the State Board for Proprietary Education or other regulatory bodies that exercise jurisdiction over accreditation and approval and the commission; or

(b) A National Association of Realtors recognized program which has been reviewed by the Kentucky real estate commission and deemed an approved real estate school;

(8) "Accredited institution" means a college or university accredited by appropriately recognized educational associations or chartered and licensed in Kentucky that grants credits toward a program for either an associate, baccalaureate, graduate, or professional degree;

(9) "Property management" means the overall management of real property for others for a fee, compensation, or other valuable consideration, and may include the marketing of property, the leasing of property, collecting rental payments on the property, payment of notes, mortgages, and other debts on the property, coordinating maintenance for the property, remitting funds and

accounting statements to the owner, and other activities that the commission may determine by administrative regulation;

(10) "Broker" means any person who is licensed under KRS 324:046(1) and performs acts of real estate brokerage;

(11) "Designated Manager" means a licensed sales associate or broker who manages a main or branch office for the principal broker, at the principal broker's direction and has managing authority over the activities of the sales associates at that office.

(12) "Regular employee" means an employee who works for an employer, whose total compensation is subject to withholding of federal and state taxes and FICA payments, and who receives from the employer a fixed salary governed by federal wage guidelines that is not affected by specific real estate transactions;

(13) "Referral fee" means consideration of any kind paid or demanded for the referral of a potential or actual buyer, seller, lessor, or lessee of real estate;

(14) "Designated agency" means a form of agency relationship that exists when a principal broker, in accordance with KRS 324:121, identifies different licensees in the same real estate brokerage firm to separately represent more than one (1) party in the same real estate transaction;

(15) "Affiliation" means the relationship agreed upon between a licensee and a principal broker and reported to the commission, where the licensee places his license with the principal broker for supervision of the licensee's real estate brokerage activity;

(16) "Canceled" means the status of a license when a licensee fails to renew a license, writes the commission a check for fees that is not honored, fails to re-affiliate with a principal broker, or fails to complete requirements for continuing education;

(17) "Suspended" means the status of a license when disciplinary action has been ordered against a licensee that prohibits the brokerage of real estate for a specific period of time; and

(18) "Revoked" means the status of a license when disciplinary action has been ordered that removes the licensee's legal authority to broker real estate for a minimum of five (5) years.

## **TOP FAQ's:**

Are there other resources on the KREC website other than the homebuyer videos?

Yes. There's a what you need to know about buying and selling a home PDF file that can be printed out and given to buyers.

How do I change my home address? What's the fee?

Select Form 205 from either the top right of the KREC homepage or select "Forms" in the main navigation bar. There is no fee when changing your personal mailing address.

Where can I find information about measuring homes and the ANSI standards?

The Kentucky Real Estate Commission has entered into an agreement with the National Association of Home Builders Research Center (NAHB) that allows licensees to access a 16 page illustrated booklet on the ANSI standards. It can be found under the "Legal- Forms and Contracts" section of the website.

Note: There is no legal requirement for sales associates and brokers to measure using the ANSI standards although some Board of REALTORS or individual offices have adopted the standards for their multiple listing services.

Where did the agency forms go?

Please look in the legal section and select "Forms and Contracts."

Where do I find email addresses of the KREC staff?

Please hover over "About KREC" and then select staff directory.