

## Maryland

### Governing Agency

**Maryland Real Estate Commission** is part of Maryland's Department of Labor, Licensing, and Regulation's Division of Occupational and Professional Licensing.

- Website: <http://www.dllr.state.md.us/license/mrec/>
- Address: 500 North Calvert Street, 3rd Floor  
Baltimore, Maryland 21202
- Tel. No.: 410-230-6230
- Email: mrec@dllr.state.md.us

### License/Activity Law

- License Law is found in Title 17 of Business and Organizations the Maryland Code Annotated (MCA).
- The Rules and Regulations are found in Title 9, Subtitle 11 of the Maryland Code of Regulations (CR).

### Referral Fees/ Commission Sharing

- An individual licensed by this State may divide a fee that is earned on a real estate transaction in this State with an individual licensed to provide real estate brokerage services in another state if the other state allows a fee that is earned on a real estate transaction in that state to be divided with an individual licensed by this State. *MCA § 17-513.*

### Acts requiring license

- Except as otherwise provided in this title, an individual shall be licensed by the Commission as a real estate broker before the individual may provide real estate brokerage services in the State. *MCA § 17-301(a)(1).*

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- *MCA § 17-101(l)*:real estate brokerage is engaging in any of the following activities:
  - (1) for consideration, providing any of the following services for another person:
    - (i) selling, buying, exchanging, or leasing any real estate; or
    - (ii) collecting rent for the use of any real estate;
  - (2) for consideration, assisting another person to locate or obtain for purchase or lease any residential real estate;
  - (3) engaging regularly in a business of dealing in real estate or leases or options on real estate;
  - (4) engaging in a business the primary purpose of which is promoting the sale of real estate through a listing in a publication issued primarily for the promotion of real estate sales;
  - (5) engaging in a business that subdivides land that is located in any state and sells the divided lots; or
  - (6) for consideration, serving as a consultant regarding any activity set forth in items (1) through (5) of this subsection.

**Reciprocity**

- Subject to the limitations of this subtitle, the Commission may issue a reciprocal license to a person: (1) holding a current license to provide real estate brokerage services issued by another state; and (2) whose principal place of business for the provision of real estate brokerage services is outside the State. *MCA § 17-3A-02(a)*.
- The Commission is not required to enter into an agreement with another state before issuing a reciprocal license to a licensee from that other jurisdiction. *MCA § 17-3A-06(b)*.
- A real estate salesperson or associate real estate broker holding a reciprocal license may not conduct business in the State except in affiliation with a real estate broker holding a standard or reciprocal license. *MCA § 17-3A-05*.
- A person that holds a reciprocal license shall promptly notify the Commission if the person establishes a principal place of business for the provision of real estate brokerage services in the State. *MCA § 17-3A-09(a)*.

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- A person that holds a reciprocal license shall obtain a standard license under the licensing provisions of this title within 90 days after establishing a principal place of business in the State. *MCA § 17-3A-09(b)*.

### License Types

- Except as otherwise provided in this title, an individual shall be licensed by the Commission as an associate real estate broker or a real estate salesperson before the individual, while acting on behalf of a real estate broker, may provide real estate brokerage services in the State. *MCA § 17-301(a)(2)*.
- "Real estate broker" means an individual who provides real estate brokerage services. *MCA § 17-101(n)*.
  - For qualifications: *MCA § 17-305*.
- "Associate real estate broker" means an individual: (1) who meets the requirements for a real estate broker license under § 17-305 of this title but who applies for and is granted an associate real estate broker license under §§ 17-307 and 17-309 of this title; and (2) who, under the associate real estate broker license, may provide real estate brokerage services on behalf of a licensed real estate broker with whom the associate real estate broker is affiliated. *MCA § 17-101(c)*.
  - For qualifications: *MCA § 17-304*.
  - A licensed associate real estate broker may obtain an additional associate real estate broker license and become affiliated with an additional licensed real estate broker as an associate real estate broker, if the associate broker meets 3 requirements. *MCA § 17-313(d)*.
- "Real estate salesperson" means an individual who, while affiliated with and acting on behalf of a real estate broker, provides real estate brokerage services. *MCA § 17-101(o)*.
  - For qualifications: *MCA § 17-303*.
  - A licensed real estate salesperson may obtain an additional real estate salesperson license and become affiliated with an additional licensed real estate broker as a real estate salesperson, if the salesperson meets 3 requirements. *MCA § 17-313(a)*.

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- Subject to the provisions of this section, a licensed real estate broker may provide real estate brokerage services through a corporation, limited liability company, or partnership. *MCA § 17-321(a)*.
  - For qualifications: *MCA § 17-321(b)*.
- With the consent of a licensed real estate broker, one or more licensed real estate salespersons and licensed associate real estate brokers who are affiliated with the licensed real estate broker may: (1) organize and wholly own a professional service corporation under the Maryland Professional Service Corporation Act; or (2) form a limited liability company under the Maryland Limited Liability Company Act. *MCA § 17-512(a)*.
  - A licensed real estate salesperson or a licensed associate real estate broker who is a shareholder of a professional service corporation or a member of a limited liability company may direct that any commission due the salesperson or associate broker be paid to the corporation or limited liability company. *MCA § 17-512(c)*.

### *Misc./Advertising*

- *Teams*
  - In this Part V of this subtitle, "team" means two or more licensed associate real estate brokers or licensed real estate salespersons, or any combination of licensed associate real estate brokers or licensed real estate salespersons, who: (1) work together on a regular basis to provide real estate brokerage services; (2) represent themselves to the public as being part of one entity; and (3) designate themselves by a collective name such as team or group. *MCA § 17-543*.
  - Each team shall designate a team leader who shall be: (1) a licensed associate real estate broker; or (2) a licensed real estate salesperson who has at least 3 years of experience in providing real estate brokerage services. *MCA § 17-544*.
  - The name of the team may not contain the terms "real estate", "real estate brokerage", or any other term that would lead the public to believe that the team is offering real estate brokerage services independent of the real estate broker. *MCA § 17-547(a)*.
  - All advertising by the team must contain: (1) the name of the brokerage displayed in a meaningful and conspicuous way; (2) the name of at least one of the licensee members of the team; and (3) the telephone number of the real estate broker or branch office manager of the real estate broker. *MCA § 17-547(b)*.

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- The team name in the advertisement must be directly connected to the name of the brokerage. *MCA § 17-547(c)*.
- For Dos and Don'ts for Teams: <http://www.dllr.state.md.us/license/mrec/mrecteams.shtml>
- *Offices*
  - Each licensed real estate broker who is a resident of the State shall maintain an office in the State. *MCA § 17-517(a)*.
  - Each licensed real estate broker who is a nonresident of the State shall maintain an office in this State if the state in which the nonresident broker resides requires a resident of this State who is licensed in the other state to maintain an office in that state. *MCA § 17-517(b)*.
- *Advertisements*
  - A licensed real estate salesperson, licensed real estate broker, or licensed associate real estate broker may not advertise unless: (1) the name or designated name of the licensed real estate salesperson, licensed real estate broker, or licensed associate real estate broker, as the name or designated name appears on the license certificate and pocket card issued by the Commission, is meaningfully and conspicuously included in the advertisement; and (2) the name of the business with which the licensed real estate salesperson, licensed real estate broker, or licensed associate real estate broker is affiliated: (i) is meaningfully and conspicuously included in the advertisement; and (ii) is the full name of the business and not a logo used by the business. *MCA § 17-527.2(b)*.
- *Trade Name*
  - A licensed real estate salesperson, licensed real estate broker, or licensed associate real estate broker may provide real estate brokerage services under a designated name that has been approved by the Commission. *MCA § 17-527.3(a)*.
  - In the advertising of or contracting for any real estate brokerage services defined under Business Occupations and Professions Article, §17-101, Annotated Code of Maryland, a licensee using a trade name shall clearly and unmistakably include in the advertisement or contract his name or trade name, as registered with the Commission, to insure that his identity is meaningfully and conspicuously displayed to members of the general public. *CR 09.11.01.19(C)(1)*.

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- A licensee using a trade name on a for-sale sign, business card, office sign, sales contract, listing contract, or other document relating to real estate activities as defined under Business Occupations and Professions Article, §17-101, Annotated Code of Maryland, shall clearly and unmistakably include on any of these documents his name, or trade name, as registered with the Commission. *CR 09.11.01.19(C)(2)*.

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