

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2409

(Reference to printed bill)

1 Page 1, between lines 1 and 2, insert:

2 "Section 1. Section 32-2151.01, Arizona Revised Statutes, is amended  
3 to read:

4 32-2151.01. Broker requirements; recordkeeping requirements;  
5 definition

6 A. Each licensed employing broker shall keep records of all real  
7 estate, cemetery, ~~time-share~~ **TIMESHARE** or membership camping transactions  
8 handled by or through the broker and shall keep employment records,  
9 including copies of employment status, for all current and former  
10 employees. The records required by this section shall include copies of  
11 earnest money receipts, confirming that the earnest money has been handled  
12 in accordance with the transaction, closing statements showing all  
13 receipts, disbursements and adjustments, sales contracts and, if  
14 applicable, copies of employment agreements. The records shall be open at  
15 all reasonable times for inspection by the commissioner or the  
16 commissioner's representatives. The records of each transaction and  
17 employment records shall be kept by the broker for a period of at least  
18 five years ~~from~~ **AFTER** the date of the termination of the transaction or  
19 employment. The records shall be kept in the employing broker's principal  
20 office or licensed branch office in this state or at an off-site storage  
21 location in this state if the broker provides prior written notification of  
22 the street address of the off-site storage location to the department.

23 B. Except as provided by section 32-2174, subsection C, a broker  
24 shall not grant any person authority to withdraw monies from the broker's

1 trust fund account unless that person is a licensee under that broker's  
2 license.

3 C. A broker shall specifically state in the real estate purchase  
4 contract, lease agreement or receipt for earnest money the type of earnest  
5 money received in any real estate transaction, whether it is cash, a check,  
6 a promissory note or any other item of value.

7 D. All licensees shall promptly place all cash, checks or other  
8 items of value received as payment in connection with a real estate  
9 transaction in the care of the designated broker.

10 E. The broker shall maintain each real estate purchase contract or  
11 lease agreement and the transaction folder in which it is kept in a  
12 chronological log or other systematic manner that is easily accessible by  
13 the commissioner or the commissioner's representatives.

14 F. Sales transaction folders shall include:

15 1. Confirmation that the earnest monies or other monies handled by  
16 or through the broker were handled according to instructions given by or  
17 agreed to by the parties to the transaction.

18 2. A complete copy of the sales contract, any escrow account  
19 receipt, any closing or settlement statement and, if applicable, a copy of  
20 the escrow instructions, listing agreement, employment agreement and  
21 release of escrow monies.

22 3. A COPY OF THE GOVERNMENT-ISSUED IDENTIFICATION OF THE BUYER AND  
23 THE SELLER.

24 G. The designated broker shall review each listing agreement,  
25 purchase or nonresidential lease agreement or similar instrument within ten  
26 business days ~~of~~ AFTER the date of execution by placing the broker's  
27 initials and the date of review on the instrument on the same page as the  
28 signatures of the parties. A designated broker may authorize in writing an  
29 associate broker who the designated broker employs to review and initial  
30 these instruments on the designated broker's behalf.

1           H. The broker shall retain all real estate purchase and  
2 nonresidential lease contracts and employment agreements, or copies of  
3 these documents, in the employing broker's principal office or licensed  
4 branch office or at an off-site storage location in this state if the  
5 broker provides prior written notification of the street address of the  
6 off-site storage location to the department.

7           I. The broker shall retain an original, a copy or a microfilm copy  
8 of any document evidencing a rejected offer to purchase real property as a  
9 matter of record for at least one year. In instances that result in  
10 binding contracts, the broker shall retain prior rejected offers for at  
11 least five years.

12           J. If real property in a development is sold or leased by a  
13 developer without the services of a listing or selling broker, the  
14 developer shall keep all records required by subsections A and C of this  
15 section.

16           K. For the purposes of this section, "business day" means a day that  
17 is not a Saturday, a Sunday or any other legal holiday in this state."

18 Renumber to conform

19 Page 1, line 28, after "THAT" insert "FOR"; after "ANY" insert "QUITCLAIM OR  
20 BENEFICIARY"; strike "OR CONVEYANCE"

21 Line 29, strike "MUST"

22 Strike line 30

23 Line 31, strike "41-254 AND A GRANTOR MAY NOT USE" insert ", IF THE SELLER OR  
24 BUYER USES"

25 Line 32, strike the second "A" insert "THE"; strike "OR"

26 Line 33, strike "CONVEYANCE" insert ", THE SELLER AND BUYER SHALL EXECUTE THE  
27 QUITCLAIM OR BENEFICIARY DEED WITH A HANDWRITTEN SIGNATURE IN INK ON PAPER,  
28 WHICH THE BUYER SHALL DELIVER BY THE UNITED STATES POSTAL SERVICE OR A  
29 COMMON CARRIER TO THE COUNTY RECORDER OF THE COUNTY IN WHICH THE PROPERTY  
30 IS LOCATED FOR RECORDING"

- 1 Page 1, line 38, after "A" insert "QUITCLAIM OR BENEFICIARY"; strike "OR  
2 CONVEYANCE"  
3 Line 40, after the period insert "ANY REMOTELY LOCATED INDIVIDUAL WHO USES THE  
4 COMMUNICATION TECHNOLOGY PRESCRIBED BY THIS SECTION FOR A QUITCLAIM OR  
5 BENEFICIARY DEED SHALL ALSO COMPLY WITH SECTION 33-401, SUBSECTION D TO  
6 COMPLETE THE TRANSACTION."  
7 Amend title to conform

LAURIN HENDRIX

2409HENDRIX.docx  
02/09/2024  
03:02 PM  
C: MR