

Legal Bulletin

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Get ready: Your DRE number will be required on contracts and marketing materials

Beginning July 1st, California law will require that you disclose your DRE license number on (1) all real property purchase agreements when acting as an agent in those transactions, and (2) all “solicitation materials intended to be the first point of contact with consumers”. The first part is easy to comply with. The CAR form purchase agreements contain blank lines next to your signature for you to write in your and your broker’s DRE license numbers. The second part is a little more complex. What qualifies as a “solicitation material” intended to be the “first point of contact with consumers”? The statute itself and the DRE’s proposed regulations provide the following guidance:

You **MUST** include your DRE license number on:

- Business cards
- Stationery (letterhead, holiday cards to clients, postcards, etc.)
- Your website, blog and other Internet sites that market your services
- Promotional and advertising materials (flyers, property brochures, Just Listed/Just Sold postcards, market updates, marketing mailers, note pads, keychains, pens and other items with your name on them)
- Your e-mail messages (include your DRE number in your signature line)
- Other materials designed to solicit the creation of a professional relationship between you and a consumer (bus bench ads, shopping cart ads, etc.)

The type size of your license number must be no smaller than the smallest size type used in the solicitation piece. The number does not need to appear in any particular place; you can use your judgment based on the aesthetics of the piece.

DRE license numbers are **NOT** required on the following:

- Print advertising in any newspaper or periodical
- Advertisements in electronic media (radio, cinema and television ads, streaming video and audio)
- “For Sale”, “For Lease” or “Open House” signs

The DRE will hold you responsible for making sure that your license number appears where it should, so you will want to ensure that any in-house marketing resources and outside vendors that you use comply with this new requirement. If you have existing stock of marketing materials (business cards, note pads, flyers, etc.) that are missing the number, you cannot use those materials after June 30th unless you “retrofit” them to comply with this requirement (for example, apply a sticker bearing the number).

The above lists are based upon incomplete guidance from the DRE and are not exhaustive; there are many types of solicitation materials that do not fit neatly into any of these categories. The DRE is likely to refine its position on this topic as time passes and it gains experience in this area. Please speak with your broker if you have any questions about this topic.

IMPORTANT: The discussion in this Bulletin is based upon general legal principles and is not intended to be used as a substitute for consultation with a qualified attorney. Each situation is unique. Specific facts may completely change the applicability of general rules, and this Bulletin cannot possibly deal with all of the variables which may apply in a given case. This Bulletin is intended to help highlight certain issues of general interest. This Bulletin is not intended to be viewed or relied upon as legal advice. Any unauthorized use, distribution, disclosure, copying or dissemination, either in whole or in part, is strictly prohibited. © All rights reserved