Guam Association of REALTORS®
Voice for Real Estate

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Guam Real Estate Commission

RE: DRAFT Real Estate Regulations

Håfa Adai,

The Guam Association of REALTORS® are pleased that you requested our organization to review and comment on your DRAFT Guam Real Estate Regulations.

We assume that at some point the DRAFT will be revised with hopefully our comments and placed into Bill format. If that occurs, we would once again like to conduct a complete review prior to any transmission to the 37th Guam Legislature.

We'd like to ask if this is a product of the current Guam Real Estate Commission or possibly a product provided from the previous Guam Real Estate Commission headed by Christopher Murphy?

The following is our Guam Association of REALTORS® (GAR) comments concerning the DRAFT Real Estate Regulations:

Our overall input is this Law is a bit confusing. It seems to jump back and forth as to education and class hour requirements and is hard to follow. Also, the old Law stated that GAR approved courses and hours were acceptable as continuing education and pre-license requirements. This is removed. We could not find how the required continuing education and pre-license courses will be approved. If they are approved by the commission and they meet quarterly or less often it seems too long a wait to get courses approved. If there are no pre-approvals then what happens if the commissioner or RE Division people decide to reject an applicant's course submittal? Also, there are a lot of references to "Core Courses" but no definitions. In some sections it says how many hours of certain subjects must be attended but are there more subjects that are "core?" The sections just call these "related" courses and not "core" but in later sections mention "core".

Our specific comments are:

1. Page 5- Sections 104103 & 104104 & 104110(page 7)- These sections describe a Salesperson and one who is "employed". In most cases this is not true. They are "contracted" we suggest the word

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"employed" be changed to "Contracted". By using "employed" a broker may become liable for employment benefits and workman's Comp and other related employment taxes.

2. Page 6- Section 104106- What about an employee (like a general manager) who signed a lease for the company they work for. This section seems to require that that employee must be licensed.
3. Page 7 -Section 104111- The fine seems too small. We suggest it be $500 or even something larger.
4. Page 10 – Section 104118. The requirement for a broker to file quarterly "any names and addresses of people he assisted in filing applications," seems harsh. No one currently does this. We suggest this be removed.
5. Page 10. Section 104119- It states the Commissioner may prescribe what information needs to be contained in agreement used by licensees on government projects. The required forms are almost always government forms. What happens of the commissioner requires something the government won't accept?
6. Page 11- Section 104120 (d). Some GAR members carry 50+ trust accounts for the properties they manage- Do they have to notify the commissioner every time they open a new one? This seems silly. Can we remove this section?
7. Page 11- Section 104121- The penalty ($100) seems too low. Recommend $5,000.
8. Page 14- Section 104203- Requirement of other proof- So these new required 15 hours in specific "related" course are in addition to the 30 hours pre-licensing requirement. This is too much- also we do like forcing very specific areas of required classes. What if none are available in those areas?
9. Page 14- Section 104203- Required of other proof- How can you require a non-licensed person to complete 10 residential or whatever transaction?!!! This is ridiculous and against the law.
10. Page 16- 104204- Requirement of other proof- The "related" courses again cause the same problem as above. Also, why only 12 now and not 15? Seems to conflict.
11. Page 19- Section104206- Why 75%. Historically 70% is passing in most cases.
12. Page 20- Section 104208 Again the "related" courses of this section should be removed. The "elective courses seem OK. Just add he "related courses names" to the "elected" ones.
13. Page 21- Section 104208- Why change the renewal term from 4 years to 2 years? Renewing every 2 years seems burdensome and silly. Keep it 4 for both Broker and salesperson. Also, the following paragraph on page 22 seems to make no sense an even and odd years. This should be removed.
14. Page 22- Section 104211- The approval of all GAR approved courses and hours can be added here.
15. Page 226- Section 104222- why can't a broker hold multiple licenses? I think the last paragraph of this section should be removed.
16. Page 28- Section 104227. Why require someone with an inactive license having to take courses they already took to reactivate their license? I suggest removal of this part.

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17. Page 29- Section 104229- Branch offices- This requires an additional broker be at every branch office. We have no problem with this, but what about sales offices at a subdivision or development? This is a temporary site and should not require a broker be there during opening hours. Even Open houses might fall into this section unless it is modified and clarified.
18. Page 30- Section 104230- Surety Bond requirement. Please remove. This is too much and a hassle to get.
19. Page 33 Section 104230- Why does a cemetery salesperson have to reside in Guam for 3 years prior to their getting a license? A regular salesperson does not have to.
20. Page 36- Section 104302 (f). Can you add in this section that listing agreements cannot be longer than one year? In the past I have seen brokers tie up properties for 3-5 years with long listings and force sellers to take their lower offers.
21. Page 42- Section 104408- Go back to the 4-year term
22. Page 42- section 104410- remove the eve/odd year term thing.
23. Page 43- Section 104423- go back to 4 year term and $400 fee.
24. Page 44- Section 104416- Remove the even/odd year thing.
25. Page 45- section 104419- Go back to 4-year term for salesperson renewal and $200 fee.

The above are the comments from the Guam Association of REALTORS® (GAR) initial review of the DRAFT Real Estate Regulations presented.

Should you have any questions or concerns, please do not hesitate to contact me directly, Jodee Duenas at 671-727-5633 whose email address is jodee@hafaadairealty.com or Peggy Araullo Llagas at 671-689-4271 whose email address is ceo@guamrealtors.com

Senseramente,

Jodee Duenas
2023 President, Guam Association of REALTORS®

CC:

2023 Legislative Committee
Peggy Araullo Llagas, CEO and Government Affairs Director

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