

2 **EHB 1659** - H COMM AMD **ADOPTED 2-7-96**  
3 By Committee on Commerce & Labor

4

5 Strike everything after the enacting clause and insert the  
6 following:

7 NEW SECTION. **Sec. 1.** DEFINITIONS. Unless the context clearly  
8 requires otherwise, the definitions in this section apply throughout  
9 this chapter.

10 (1) "Agency relationship" means the agency relationship created  
11 under this chapter or by written agreement between a licensee and a  
12 buyer and/or seller relating to the performance of real estate  
13 brokerage services by the licensee.

14 (2) "Agent" means a licensee who has entered into an agency  
15 relationship with a buyer or seller.

16 (3) "Business opportunity" means and includes a business, business  
17 opportunity, and goodwill of an existing business, or any one or  
18 combination thereof.

19 (4) "Buyer" means an actual or prospective purchaser in a real  
20 estate transaction, or an actual or prospective tenant in a real estate  
21 rental or lease transaction, as applicable.

22 (5) "Buyer's agent" means a licensee who has entered into an agency  
23 relationship with only the buyer in a real estate transaction, and  
24 includes subagents engaged by a buyer's agent.

25 (6) "Confidential information" means information from or concerning  
26 a principal of a licensee that:

27 (a) Was acquired by the licensee during the course of an agency  
28 relationship with the principal;

29 (b) The principal reasonably expects to be kept confidential;

30 (c) The principal has not disclosed or authorized to be disclosed  
31 to third parties;

32 (d) Would, if disclosed, operate to the detriment of the principal;  
33 and

34 (e) The principal personally would not be obligated to disclose to  
35 the other party.

36 (7) "Dual agent" means a licensee who has entered into an agency  
37 relationship with both the buyer and seller in the same transaction.

1 (8) "Licensee" means a real estate broker, associate real estate  
2 broker, or real estate salesperson, as those terms are defined in  
3 chapter 18.85 RCW.

4 (9) "Material fact" means information that substantially adversely  
5 affects the value of the property or a party's ability to perform its  
6 obligations in a real estate transaction, or operates to materially  
7 impair or defeat the purpose of the transaction. The fact or suspicion  
8 that the property, or any neighboring property, is or was the site of  
9 a murder, suicide or other death, rape or other sex crime, assault or  
10 other violent crime, robbery or burglary, illegal drug activity,  
11 gang-related activity, political or religious activity, or other act,  
12 occurrence, or use not adversely affecting the physical condition of or  
13 title to the property is not a material fact.

14 (10) "Principal" means a buyer or a seller who has entered into an  
15 agency relationship with a licensee.

16 (11) "Real estate brokerage services" means the rendering of  
17 services for which a real estate license is required under chapter  
18 18.85 RCW.

19 (12) "Real estate transaction" or "transaction" means an actual or  
20 prospective transaction involving a purchase, sale, option, or exchange  
21 of any interest in real property or a business opportunity, or a lease  
22 or rental of real property. For purposes of this chapter, a  
23 prospective transaction does not exist until a written offer has been  
24 signed by at least one of the parties.

25 (13) "Seller" means an actual or prospective seller in a real  
26 estate transaction, or an actual or prospective landlord in a real  
27 estate rental or lease transaction, as applicable.

28 (14) "Seller's agent" means a licensee who has entered into an  
29 agency relationship with only the seller in a real estate transaction,  
30 and includes subagents engaged by a seller's agent.

31 (15) "Subagent" means a licensee who is engaged to act on behalf of  
32 a principal by the principal's agent where the principal has authorized  
33 the agent in writing to appoint subagents.

34 NEW SECTION. **Sec. 2.** RELATIONSHIPS BETWEEN LICENSEES AND THE  
35 PUBLIC. (1) A licensee who performs real estate brokerage services for  
36 a buyer is a buyer's agent unless the:

37 (a) Licensee has entered into a written agency agreement with the  
38 seller;

1 (b) Licensee has entered into a subagency agreement with the  
2 seller's agent;

3 (c) Licensee has entered into a written agency agreement with both  
4 parties;

5 (d) Licensee is the seller or one of the sellers; or

6 (e) Parties agree otherwise in writing after the licensee has  
7 complied with section 3(1)(f) of this act.

8 (2) In a transaction in which different licensees affiliated with  
9 the same broker represent different parties, the broker is a dual  
10 agent, and must obtain the written consent of both parties as required  
11 under section 6 of this act. In such a case, each licensee shall  
12 solely represent the party with whom the licensee has an agency  
13 relationship, unless all parties agree in writing that both licensees  
14 are dual agents.

15 (3) A licensee may work with a party in separate transactions  
16 pursuant to different relationships, including, but not limited to,  
17 representing a party in one transaction and at the same time not  
18 representing that party in a different transaction involving that  
19 party, if the licensee complies with this chapter in establishing the  
20 relationships for each transaction.

21 NEW SECTION. **Sec. 3. DUTIES OF A LICENSEE GENERALLY.** (1)  
22 Regardless of whether the licensee is an agent, a licensee owes to all  
23 parties to whom the licensee renders real estate brokerage services the  
24 following duties, which may not be waived:

25 (a) To exercise reasonable skill and care;

26 (b) To deal honestly and in good faith;

27 (c) To present all written offers, written notices and other  
28 written communications to and from either party in a timely manner,  
29 regardless of whether the property is subject to an existing contract  
30 for sale or the buyer is already a party to an existing contract to  
31 purchase;

32 (d) To disclose all existing material facts known by the licensee  
33 and not apparent or readily ascertainable to a party; provided that  
34 this subsection shall not be construed to imply any duty to investigate  
35 matters that the licensee has not agreed to investigate;

36 (e) To account in a timely manner for all money and property  
37 received from or on behalf of either party;

1 (f) To provide a pamphlet on the law of real estate agency in the  
2 form prescribed in section 13 of this act to all parties to whom the  
3 licensee renders real estate brokerage services, before the party signs  
4 an agency agreement with the licensee, signs an offer in a real estate  
5 transaction handled by the licensee, consents to dual agency, or waives  
6 any rights, under section 2(1)(e), 4(1)(e), 5(1)(e), or 6(2)(e) or (f)  
7 of this act, whichever occurs earliest; and

8 (g) To disclose in writing to all parties to whom the licensee  
9 renders real estate brokerage services, before the party signs an offer  
10 in a real estate transaction handled by the licensee, whether the  
11 licensee represents the buyer, the seller, both parties, or neither  
12 party. The disclosure shall be set forth in a separate paragraph  
13 entitled "Agency Disclosure" in the agreement between the buyer and  
14 seller or in a separate writing entitled "Agency Disclosure."

15 (2) Unless otherwise agreed, a licensee owes no duty to conduct an  
16 independent inspection of the property or to conduct an independent  
17 investigation of either party's financial condition, and owes no duty  
18 to independently verify the accuracy or completeness of any statement  
19 made by either party or by any source reasonably believed by the  
20 licensee to be reliable.

21 NEW SECTION. **Sec. 4. DUTIES OF A SELLER'S AGENT.** (1) Unless  
22 additional duties are agreed to in writing signed by a seller's agent,  
23 the duties of a seller's agent are limited to those set forth in  
24 section 3 of this act and the following, which may not be waived except  
25 as expressly set forth in (e) of this subsection:

26 (a) To be loyal to the seller by taking no action that is adverse  
27 or detrimental to the seller's interest in a transaction;

28 (b) To timely disclose to the seller any conflicts of interest;

29 (c) To advise the seller to seek expert advice on matters relating  
30 to the transaction that are beyond the agent's expertise;

31 (d) Not to disclose any confidential information from or about the  
32 seller, except under subpoena or court order, even after termination of  
33 the agency relationship; and

34 (e) Unless otherwise agreed to in writing after the seller's agent  
35 has complied with section 3(1)(f) of this act, to make a good faith and  
36 continuous effort to find a buyer for the property; except that a  
37 seller's agent is not obligated to seek additional offers to purchase

1 the property while the property is subject to an existing contract for  
2 sale.

3 (2) A seller's agent may show alternative properties not owned by  
4 the seller to prospective buyers and may list competing properties for  
5 sale without breaching any duty to the seller.

6 NEW SECTION. **Sec. 5. DUTIES OF A BUYER'S AGENT.** (1) Unless  
7 additional duties are agreed to in writing signed by a buyer's agent,  
8 the duties of a buyer's agent are limited to those set forth in section  
9 3 of this act and the following, which may not be waived except as  
10 expressly set forth in (e) of this subsection:

11 (a) To be loyal to the buyer by taking no action that is adverse or  
12 detrimental to the buyer's interest in a transaction;

13 (b) To timely disclose to the buyer any conflicts of interest;

14 (c) To advise the buyer to seek expert advice on matters relating  
15 to the transaction that are beyond the agent's expertise;

16 (d) Not to disclose any confidential information from or about the  
17 buyer, except under subpoena or court order, even after termination of  
18 the agency relationship; and

19 (e) Unless otherwise agreed to in writing after the buyer's agent  
20 has complied with section 3(1)(f) of this act, to make a good faith and  
21 continuous effort to find a property for the buyer; except that a  
22 buyer's agent is not obligated to: (i) Seek additional properties to  
23 purchase while the buyer is a party to an existing contract to  
24 purchase; or (ii) show properties as to which there is no written  
25 agreement to pay compensation to the buyer's agent.

26 (2) A buyer's agent may show properties in which the buyer is  
27 interested to other prospective buyers without breaching any duty to  
28 the buyer.

29 NEW SECTION. **Sec. 6. DUTIES OF A DUAL AGENT.** (1) A licensee may  
30 act as a dual agent only with the written consent of both parties to  
31 the transaction after the dual agent has complied with section 3(1)(f)  
32 of this act, which consent must include a statement of the terms of  
33 compensation.

34 (2) Unless additional duties are agreed to in writing signed by a  
35 dual agent, the duties of a dual agent are limited to those set forth  
36 in section 3 of this act and the following, which may not be waived  
37 except as expressly set forth in (e) and (f) of this subsection:

1 (a) To take no action that is adverse or detrimental to either  
2 party's interest in a transaction;

3 (b) To timely disclose to both parties any conflicts of interest;

4 (c) To advise both parties to seek expert advice on matters  
5 relating to the transaction that are beyond the dual agent's expertise;

6 (d) Not to disclose any confidential information from or about  
7 either party, except under subpoena or court order, even after  
8 termination of the agency relationship;

9 (e) Unless otherwise agreed to in writing after the dual agent has  
10 complied with section 3(1)(f) of this act, to make a good faith and  
11 continuous effort to find a buyer for the property; except that a dual  
12 agent is not obligated to seek additional offers to purchase the  
13 property while the property is subject to an existing contract for  
14 sale; and

15 (f) Unless otherwise agreed to in writing after the dual agent has  
16 complied with section 3(1)(f) of this act, to make a good faith and  
17 continuous effort to find a property for the buyer; except that a dual  
18 agent is not obligated to: (i) Seek additional properties to purchase  
19 while the buyer is a party to an existing contract to purchase; or (ii)  
20 show properties as to which there is no written agreement to pay  
21 compensation to the dual agent.

22 (3) A dual agent may show alternative properties not owned by the  
23 seller to prospective buyers and may list competing properties for sale  
24 without breaching any duty to the seller.

25 (4) A dual agent may show properties in which the buyer is  
26 interested to other prospective buyers without breaching any duty to  
27 the buyer.

28 NEW SECTION. **Sec. 7. DURATION OF AGENCY RELATIONSHIP.** (1) The  
29 agency relationships set forth in this chapter commence at the time  
30 that the licensee undertakes to provide real estate brokerage services  
31 to a principal and continue until the earliest of the following:

32 (a) Completion of performance by the licensee;

33 (b) Expiration of the term agreed upon by the parties; or

34 (c) Termination of the relationship by mutual agreement of the  
35 parties.

36 (2) Except as otherwise agreed to in writing, a licensee owes no  
37 further duty after termination of the agency relationship, other than  
38 the duties of:

1 (a) Accounting for all moneys and property received during the  
2 relationship; and

3 (b) Not disclosing confidential information.

4 NEW SECTION. **Sec. 8. COMPENSATION.** (1) In any real estate  
5 transaction, the broker's compensation may be paid by the seller, the  
6 buyer, a third party, or by sharing the compensation between brokers.

7 (2) An agreement to pay or payment of compensation does not  
8 establish an agency relationship between the party who paid the  
9 compensation and the licensee.

10 (3) A seller may agree that a seller's agent may share with another  
11 broker the compensation paid by the seller.

12 (4) A buyer may agree that a buyer's agent may share with another  
13 broker the compensation paid by the buyer.

14 (5) A broker may be compensated by more than one party for real  
15 estate brokerage services in a real estate transaction, if those  
16 parties consent in writing at or before the time of signing an offer in  
17 the transaction.

18 (6) A buyer's agent or dual agent may receive compensation based on  
19 the purchase price without breaching any duty to the buyer.

20 (7) Nothing contained in this chapter obligates a buyer or seller  
21 to pay compensation to a licensee, unless the buyer or seller has  
22 entered into a written agreement with the licensee specifying the terms  
23 of such compensation.

24 NEW SECTION. **Sec. 9. VICARIOUS LIABILITY.** (1) A principal is not  
25 liable for an act, error, or omission by an agent or subagent of the  
26 principal arising out of an agency relationship:

27 (a) Unless the principal participated in or authorized the act,  
28 error, or omission; or

29 (b) Except to the extent that: (i) The principal benefited from  
30 the act, error, or omission; and (ii) the court determines that it is  
31 highly probable that the claimant would be unable to enforce a judgment  
32 against the agent or subagent.

33 (2) A licensee is not liable for an act, error, or omission of a  
34 subagent under this chapter, unless the licensee participated in or  
35 authorized the act, error or omission. This subsection does not limit  
36 the liability of a real estate broker for an act, error, or omission by

1 an associate real estate broker or real estate salesperson licensed to  
2 that broker.

3 NEW SECTION. **Sec. 10.** IMPUTED KNOWLEDGE AND NOTICE. (1) Unless  
4 otherwise agreed to in writing, a principal does not have knowledge or  
5 notice of any facts known by an agent or subagent of the principal that  
6 are not actually known by the principal.

7 (2) Unless otherwise agreed to in writing, a licensee does not have  
8 knowledge or notice of any facts known by a subagent that are not  
9 actually known by the licensee. This subsection does not limit the  
10 knowledge imputed to a real estate broker of any facts known by an  
11 associate real estate broker or real estate salesperson licensed to  
12 such broker.

13 NEW SECTION. **Sec. 11.** INTERPRETATION. This chapter supersedes  
14 only the duties of the parties under the common law, including  
15 fiduciary duties of an agent to a principal, to the extent inconsistent  
16 with this chapter. The common law continues to apply to the parties in  
17 all other respects. This chapter does not affect the duties of a  
18 licensee while engaging in the authorized or unauthorized practice of  
19 law as determined by the courts of this state. This chapter shall be  
20 construed broadly.

21 NEW SECTION. **Sec. 12.** EFFECTIVE DATE. This chapter shall take  
22 effect on January 1, 1997. This chapter does not apply to an agency  
23 relationship entered into before January 1, 1997, unless the principal  
24 and agent agree in writing that this chapter will, as of January 1,  
25 1997, apply to such agency relationship.

26 NEW SECTION. **Sec. 13.** PAMPHLET ON THE LAW OF REAL ESTATE AGENCY.  
27 The pamphlet required under section 3(1)(f) of this act shall consist  
28 of the entire text of sections 1 through 12 of this act with a separate  
29 cover page. The pamphlet shall be 8 1/2 by 11 inches in size, the text  
30 shall be in print no smaller than 10-point type, the cover page shall  
31 be in print no smaller than 12-point type, and the title of the cover  
32 page "The Law of Real Estate Agency" shall be in print no smaller than  
33 18-point type. The cover page shall be in the following form:



**The Law of Real Estate Agency**

This pamphlet describes your legal rights in dealing with a real estate broker or salesperson. Please read it carefully before signing any documents.

The following is only a brief summary of the attached law:

Sec. 1. Definitions. Defines the specific terms used in the law.

Sec. 2. Relationships between Licensees and the Public. States that a licensee who works with a buyer or tenant represents that buyer or tenant -- unless the licensee is the listing agent, a seller's subagent, a dual agent, the seller personally or the parties agree otherwise. Also states that in a transaction involving two different licensees affiliated with the same broker, the broker is a dual agent and each licensee solely represents his or her client -- unless the parties agree in writing that both licensees are dual agents.

Sec. 3. Duties of a Licensee Generally. Prescribes the duties that are owed by all licensees, regardless of who the licensee represents. Requires disclosure of the licensee's agency relationship in a specific transaction.

Sec. 4. Duties of a Seller's Agent. Prescribes the additional duties of a licensee representing the seller or landlord only.

Sec. 5. Duties of a Buyer's Agent. Prescribes the additional duties of a licensee representing the buyer or tenant only.

Sec. 6. Duties of a Dual Agent. Prescribes the additional duties of a licensee representing both parties in the same transaction, and requires the written consent of both parties to the licensee acting as a dual agent.

Sec. 7. Duration of Agency Relationship. Describes when an agency relationship begins and ends. Provides that the duties of accounting and confidentiality continue after the termination of an agency relationship.

Sec. 8. Compensation. Allows brokers to share compensation with cooperating brokers. States that payment of compensation does not necessarily establish an agency relationship. Allows

1 brokers to receive compensation from more than one party in a  
2 transaction with the parties' consent.

3 Sec. 9. Vicarious Liability. Eliminates the common law  
4 liability of a party for the conduct of the party's agent or  
5 subagent, unless the agent or subagent is insolvent. Also  
6 limits the liability of a broker for the conduct of a subagent  
7 associated with a different broker.

8 Sec. 10. Imputed Knowledge and Notice. Eliminates the common  
9 law rule that notice to or knowledge of an agent constitutes  
10 notice to or knowledge of the principal.

11 Sec. 11. Interpretation. This law replaces the fiduciary  
12 duties owed by an agent to a principal under the common law, to  
13 the extent that it conflicts with the common law.

14 Sec. 12. Effective Date. This law generally takes effect on  
15 January 1, 1997.

16 NEW SECTION. **Sec. 14.** VIOLATION OF LICENSING LAW. A violation of  
17 section 3 of this act is a violation of RCW 18.85.230.

18 NEW SECTION. **Sec. 15.** CAPTIONS NOT PART OF LAW. Captions used in  
19 this chapter do not constitute any part of the law.

20 NEW SECTION. **Sec. 16.** Sections 1 through 15 of this act shall  
21 constitute a new chapter in Title 18 RCW.

22 NEW SECTION. **Sec. 17.** Chapter 18.-- RCW (sections 1 through 15 of  
23 this act) is intended to supersede WAC 308-124D-040.

24 **Sec. 18.** RCW 18.85.230 and 1990 c 85 s 1 are each amended to read  
25 as follows:

26 The director may, upon his or her own motion, and shall upon  
27 verified complaint in writing by any person, investigate the actions of  
28 any person engaged in the business or acting in the capacity of a real  
29 estate broker, associate real estate broker, or real estate  
30 salesperson, regardless of whether the transaction was for his or her  
31 own account or in his or her capacity as broker, associate real estate  
32 broker, or real estate salesperson, and may impose any one or more of  
33 the following sanctions: Suspend or revoke, levy a fine not to exceed  
34 one thousand dollars for each offense, require the completion of a

1 course in a selected area of real estate practice relevant to the  
2 section of this chapter or rule violated, or deny the license of any  
3 holder or applicant who is guilty of:

4 (1) Obtaining a license by means of fraud, misrepresentation,  
5 concealment, or through the mistake or inadvertence of the director;

6 (2) Violating any of the provisions of this chapter or any lawful  
7 rules or regulations made by the director pursuant thereto or violating  
8 a provision of chapter 64.36, 19.105, or 58.19 RCW or section 3 of this  
9 act or the rules adopted under those chapters or section;

10 (3) Being convicted in a court of competent jurisdiction of this or  
11 any other state, or federal court, of forgery, embezzlement, obtaining  
12 money under false pretenses, bribery, larceny, extortion, conspiracy to  
13 defraud, or any similar offense or offenses: PROVIDED, That for the  
14 purposes of this section being convicted shall include all instances in  
15 which a plea of guilty or nolo contendere is the basis for the  
16 conviction, and all proceedings in which the sentence has been deferred  
17 or suspended;

18 (4) Making, printing, publishing, distributing, or causing,  
19 authorizing, or knowingly permitting the making, printing, publication  
20 or distribution of false statements, descriptions or promises of such  
21 character as to reasonably induce any person to act thereon, if the  
22 statements, descriptions or promises purport to be made or to be  
23 performed by either the licensee or his or her principal and the  
24 licensee then knew or, by the exercise of reasonable care and inquiry,  
25 could have known, of the falsity of the statements, descriptions or  
26 promises;

27 (5) Knowingly committing, or being a party to, any material fraud,  
28 misrepresentation, concealment, conspiracy, collusion, trick, scheme or  
29 device whereby any other person lawfully relies upon the word,  
30 representation or conduct of the licensee;

31 (6) Accepting the services of, or continuing in a representative  
32 capacity, any associate broker or salesperson who has not been granted  
33 a license, or after his or her license has been revoked or during a  
34 suspension thereof;

35 (7) Conversion of any money, contract, deed, note, mortgage, or  
36 abstract or other evidence of title, to his or her own use or to the  
37 use of his or her principal or of any other person, when delivered to  
38 him or her in trust or on condition, in violation of the trust or  
39 before the happening of the condition; and failure to return any money

1 or contract, deed, note, mortgage, abstract or other evidence of title  
2 within thirty days after the owner thereof is entitled thereto, and  
3 makes demand therefor, shall be prima facie evidence of such  
4 conversion;

5 (8) Failing, upon demand, to disclose any information within his or  
6 her knowledge to, or to produce any document, book or record in his or  
7 her possession for inspection of the director or his or her authorized  
8 representatives acting by authority of law;

9 (9) Continuing to sell any real estate, or operating according to  
10 a plan of selling, whereby the interests of the public are endangered,  
11 after the director has, by order in writing, stated objections thereto;

12 (10) Committing any act of fraudulent or dishonest dealing or a  
13 crime involving moral turpitude, and a certified copy of the final  
14 holding of any court of competent jurisdiction in such matter shall be  
15 conclusive evidence in any hearing under this chapter;

16 (11) Advertising in any manner without affixing the broker's name  
17 as licensed, and in the case of a salesperson or associate broker,  
18 without affixing the name of the broker as licensed for whom or under  
19 whom the salesperson or associate broker operates, to the  
20 advertisement; except, that a real estate broker, associate real estate  
21 broker, or real estate salesperson advertising their personally owned  
22 real property must only disclose that they hold a real estate license;

23 (12) Accepting other than cash or its equivalent as earnest money  
24 unless that fact is communicated to the owner prior to his or her  
25 acceptance of the offer to purchase, and such fact is shown in the  
26 earnest money receipt;

27 (13) Charging or accepting compensation from more than one party in  
28 any one transaction without first making full disclosure in writing of  
29 all the facts to all the parties interested in the transaction;

30 (14) Accepting, taking or charging any undisclosed commission,  
31 rebate or direct profit on expenditures made for the principal;

32 (15) Accepting employment or compensation for appraisal of real  
33 property contingent upon reporting a predetermined value;

34 (16) Issuing an appraisal report on any real property in which the  
35 broker, associate broker, or salesperson has an interest unless his or  
36 her interest is clearly stated in the appraisal report;

37 (17) Misrepresentation of his or her membership in any state or  
38 national real estate association;

1 (18) Discrimination against any person in hiring or in sales  
2 activity, on the basis of race, color, creed or national origin, or  
3 violating any of the provisions of any state or federal  
4 antidiscrimination law;

5 (19) Failing to keep an escrow or trustee account of funds  
6 deposited with him or her relating to a real estate transaction, for a  
7 period of three years, showing to whom paid, and such other pertinent  
8 information as the director may require, such records to be available  
9 to the director, or his or her representatives, on demand, or upon  
10 written notice given to the bank;

11 (20) Failing to preserve for three years following its consummation  
12 records relating to any real estate transaction;

13 (21) Failing to furnish a copy of any listing, sale, lease or other  
14 contract relevant to a real estate transaction to all signatories  
15 thereof at the time of execution;

16 (22) Acceptance by a branch manager, associate broker, or  
17 salesperson of a commission or any valuable consideration for the  
18 performance of any acts specified in this chapter, from any person,  
19 except the licensed real estate broker with whom he or she is licensed;

20 (23) To direct any transaction involving his or her principal, to  
21 any lending institution for financing or to any escrow company, in  
22 expectation of receiving a kickback or rebate therefrom, without first  
23 disclosing such expectation to his or her principal;

24 (24) Buying, selling, or leasing directly, or through a third  
25 party, any interest in real property without disclosing in writing that  
26 he or she holds a real estate license;

27 (25) In the case of a broker licensee, failing to exercise adequate  
28 supervision over the activities of his or her licensed associate  
29 brokers and salespersons within the scope of this chapter;

30 (26) Any conduct in a real estate transaction which demonstrates  
31 bad faith, dishonesty, untrustworthiness or incompetency;

32 (27) Acting as a mobile home and travel trailer dealer or  
33 salesperson, as defined in RCW 46.70.011 as now or hereafter amended,  
34 without having a license to do so;

35 (28) Failing to assure that the title is transferred under chapter  
36 46.12 RCW when engaging in a transaction involving a mobile home as a  
37 broker, associate broker, or salesperson; or

38 (29) Violation of an order to cease and desist which is issued by  
39 the director under this chapter.

1        NEW SECTION.    **Sec. 19.**    This act shall take effect January 1,  
2 1997."

--- END ---