

## MEMORANDUM

Date: June 2, 2022

To: Alaska Real Estate Commission

From: Ed Walden, Chair, Team Roles in Alaska Real Estate Industry

RE: Best Practices – Roles and Responsibilities of Teams

The Committee that developed these best practices for team roles and responsibilities is requesting the Alaska Real Estate Committee to review and approve the best practices for the following:

1. Definition of a Team
2. Supervision, Management and Standards of a Team
3. Team Roles and Responsibilities/Consumer Protection (AREC/Representation)
4. Advertising
5. Education

The Teams Committee completed several masterminding sessions to work on the charter of creating clarity and providing educational opportunities about how teams are created, how they operate, and affiliate and consumer protection and awareness.

It was determined that there are several areas the committee focused on to best illustrate and hopefully resolve the conflict or confusion between single licensees, teams and brokerages. This document is intended to be the “starting point” of the shift from single licensee dominated real estate industry to a team dominated real estate industry as predicted for in next 5-7 years by most real estate experts.

The Team Roles in Alaska Real Estate Committee determined that there is an abundance of licensee and consumer confusion when it comes to individual licensee versus team roles and responsibilities and representation. It was the team’s primary goal to address these types of concerns.

## BEST PRACTICES

Date: June 2, 2022

Title: Best Practice – Alaska Real Estate Team’s Roles and Responsibilities

To: Alaska Real Estate Brokers, Associate Brokers, Trainers, Licensees and Team Leaders

From: Alaska Real Estate Commission & Committee for Team Roles in Alaska Real Estate Industry

### Statute Reference:

Sec 08.88.171 - Eligibility for License

Sec 08.88.311 – Branch Offices

Sec 08.88-381- Signs

Sec 08.88.600 – Licensee Relationships

Sec 08.88.605 – Additional Licensee Relationship Provisions

Sec 08.88.610 – Authorization of Neutral Licensee Relationship

Sec 08.88.615 – Duties Owed by Licensee in All Licensee Relationships

Sec 08.88.620 – Duties Owed by Licensee Representing a Person

Sec 08.88.640 – Designated Licensee Relationship

Sec 08.88.645 – Duties of Neutral Licensee

### Regulation Reference:

12 AAC 64.095 – Real Estate Activities of Unlicensed Persons

12 AAC 64.117 – Broker’s Written Policy

12 AAC 64.118 – Consumer Disclosure

12 AAC 64.125 – Supervision

12 AAC 64.127 – Office Signs

12 AAC 64.128 – Home Offices

12 AAC 64.130 – Ground for Revocation or Suspension

12 AAC 64.400 – Purpose of Course Certification and Instructor Approval

12 AAC 64.410 – Minimum Classroom and Virtual Course Requirements

12 AAC 64.420 – Application for Course Certification

12 AAC 64.430 – Correspondence Courses

12 AAC 64.440 – Instructor Approval

12 AAC 64.450 – Temporary Instructor Approval

12 AAC 64.500 – Continuing Education Requirements

12 AAC 64.510 – Approval Online Courses

Purpose: To provide best practices to assist any and all parties working with real estate teams during transactions to enhance communication, clarify roles and responsibilities of specific team members and provide a better service to the consumer

Disclosure: All parties in a real estate transaction involving a team should familiarize themselves with the latest content published by the Real Estate Commission and any referenced Alaska Real Estate Commission Statutes and Regulations. This publication is a “best practices” document and is not the law.

## Area 1: Definition of a Team

1. Reference: 12 AAC 64.990(b) 12 AAC 64.117, 12 AAC 64.118 Broker Policy Manual.
  - a. A team is identified as “two or more licensees within the same brokerage that work together as one unit under a collective name and that provides services or performs activities that require a professional real estate license in Alaska.
  - b. Each team, in its nomenclature to ensure their team’s name and brokerage name are not the same. This will help create clarity between teams and brokerages.

## Area 2: Supervision, Management and Standards of a Team

1. Reference: 12 AAC 64.117, 12 AAC 64.118, 12 AAC 64.125
  - a. (b) Adequate supervision of a licensee (*to include team leaders and team members*) by a broker or an associate broker includes:
    - (1) before recording of the transaction, providing for the review of files for completeness and accuracy and ensuring all required real estate related documents are on file, including applicable local, state and federal forms and
    - (2) communicating office policies to affiliated licensees
  - b. Recommendation: Team Leader Qualifications: A licensee who wishes to assemble a team must align with the same requirements outlined within this section to obtain a real estate broker license.
    1. At least 36 months of active and continuous experience within the last 60 months immediately preceding the application to assemble a team.
    2. Add in Team Roles and Responsibilities course as ECE. Prerequisite for proposed team leaders to attend (in-person or correspondence) this two-hour course prior to supervising broker approval.
    3. Broker-level conditions may be waived by supervising broker if the following criteria are met or exceeded:
      - A. Residential Real Estate Teams: Two years active and continuous experience, written consent of supervising broker and 50 completed transactions
      - B. Commercial Real Estate Teams: Two years active and continuous experience, written consent of supervising broker and 30 transactions/leases

### **Area 3: Roles & Responsibilities/AREC-Representation (Consumer Protection)**

1. Reference: Sec 08.88.600, Sec 08.88.605, Sec 08.88.610, Sec 08.88.615, Sec 08.88.620, Sec 08.88.640, Sec 08.88.645, 12 AAC.64.095
  - a. Recommendation: Team Leader should describe in detail to their client and other licensee(s) in a transaction their team's key personnel, structure, roles and responsibilities to help eliminate confusion and enhance communication avenues.
  - b. AREC/Consumer Disclosure (page 2) modified to include teams.
  - c. Below is a draft of page 2 of the Alaska Real Estate Commission Consumer Disclosure:

**ACKNOWLEDGEMENT:**

I/We \_\_\_\_\_ have read the information provided in this Alaska Real Estate  
(Print consumer's name(s))

Consumer Disclosure and understand the different types of relationships I/we may have with the real estate licensee(s).

The Licensee in this real estate transaction is: \_\_\_\_\_ Licensee # \_\_\_\_\_

Team Name: \_\_\_\_\_ (if applicable)

The Broker/Brokerage is: \_\_\_\_\_

You understand that \_\_\_\_\_ (Team Name) is not acting as a Brokerage.

In this transaction the following team members within the brokerage/team may contact you during the transaction for administrative or transactional purposes:

Team Member: \_\_\_\_\_

Team Member: \_\_\_\_\_

Team Member: \_\_\_\_\_

Team Member: \_\_\_\_\_

I/We understand that I/We will be working with our Licensee(s) under the relationship(s) selected below:  
Please initial in the proper space:

\_\_\_\_\_ **Specific assistance without representation**

\_\_\_\_\_ **Representing the Seller/Lessor only.** (May provide specific assistance to Buyer/Lessee)

\_\_\_\_\_ **Representing the Buyer/Lessee only.** (May provide specific assistance to Seller/Lessor)

\_\_\_\_\_ **Neutral Licensee.** (Must attach Waiver of Right to be Represented, Form 08-4212)

I/We acknowledge receipt of a copy of this list of licensee duties, and have read and understand this disclosure:

Seller/Lessor: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

Seller/Lessor: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

**OR**

Buyer/Lessee: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

Buyer/Lessee: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

#### Area 4: Advertising

1. Reference: Sec 08.88.381, Sec 08.88.311, 12 AAC.127, 12 AAC 64.128, 12 AAC 64.130
  - a. Recommendations: Brokerage name must be “conspicuous, discernible and easily identifiable by the public”.
  
1. This applies to all types of advertising to include but not limited to:
  - Business cards
  - Signs (for sale, open house, directional, etc.)
  - E-mail Signatures,
  - Websites (social media)
  - Online Advertising and Marketing
  - Radio/Television ads
  - Promotional Items and Events
  
2. All teams should include team name “brokered by \_\_\_\_\_”. For example, Dar Walden Team, Brokered by Keller Williams Alaska Group. Any team, group or other entity that is not a brokerage should not include the names:
  - a. Realty;
  - b. Brokerage;
  - c. Real Estate Brokerage
  
3. Allowance for “grandfather rights” in signage. Educate and advise that these stipulations need to be completed and allow for these modifications be done as advertisements/signage are renewed or replaced within 24 months.
  
4. Primary licensee has described whether he/she is the only licensee acting on your behalf or has described that he/she is a Team Leader/Team Member and detailed how their team is organized and role/responsibilities of team members listed above.

## Area 5: Education

1. Reference: 12 AAC 64.400, 12 AAC 64.410, 12 AAC 64.420, 12 AAC 64.430, 12 AAC 64.440, 12 AAC 64.450, 12 AAC 64.460, 12 AAC 64.470, 12 AAC 64.500, 12 AAC 64.510
- a. Teaching Curriculum: Areas that we as a group believe would be effective in a two-hour course:
  1. Alaska Real Estate Commission's Statutes and Regulations
  2. Alaska Real Estate Commissions Adopted Best Practices
  3. Real Estate Industry Team Statistics (Alaska and US as a whole)
  4. Real Estate Team Structures and Corresponding Organizational Charts (examples)
  5. AREC/Representation When Working with Teams
  6. How to Handle Disputes/concerns When Working with Teams (Team Leader/Broker)
  7. How to Effectively Lead and Manage a Real Estate Team
    - a. Communicating team roles and responsibilities to other licensees and the consumers
  8. Team Leader Training
    - a. Primary for team member training and with Broker support and supervision
  9. Team Member Training
    - a. Trained by team leader and brokerage
  10. Pros and Cons of Working on a Team
  11. How Best to Work with a Team as a Single Licensee
  12. How to Elevate Everyone's Performance to the Consumer (Team and Single Licensee on each side of the transaction – Communication is the Key)
  13. Open Discussion to Seek Best Results