



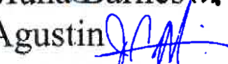

I Mina'trentai Siette Na Lihelaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
329-37 (COR)	Telo T. Taitague Joanne M. Brown Tina Rose Muña Barnes Joe S. San Agustin	AN ACT TO ADD A NEW SECTION 104116.1 TO ARTICLE 1 OF CHAPTER 104 OF TITLE 21, GUAM CODE ANNOTATED RELATIVE TO REAL ESTATE BROKERAGE AGREEMENTS.	7/17/24 1:08 p.m.						Referred Version 7/23/24

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN
2024 (SECOND) Regular Session

Bill No. 329-37 (COR)

Introduced by:

Telo T. Taitague 
Joanne M. Brown 
Tina Rose Muña Barnes 
Joe S. San Agustin 

**AN ACT TO ADD A NEW SECTION 104116.1 TO
ARTICLE 1 OF CHAPTER 104 OF TITLE 21, GUAM
CODE ANNOTATED RELATIVE TO REAL ESTATE
BROKERAGE AGREEMENTS.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings.** *I Liheslaturan Guahan* finds that there is a
3 need for clarity in the relationship between a real estate broker or salesman that
4 would best be achieved through the use of real estate brokerage agreements. It is
5 the intent of *I Liheslaturan Guahan* written real estate brokerage agreements be a
6 requirement for all real estate transactions for which a real estate broker or real
7 estate salesman is required by law.

8 **Section 2.** A new Section 104116.1 is added to Article 1 of Chapter 104 of
9 Title 21 of the Guam Code Annotated to read:

10 **Section 104116.1. Real Estate Brokerage Agreement.** (A) A real estate
11 brokerage agreement must be entered into between a real estate broker or a real
12 estate salesman and a real estate buyer, seller, lessor, or lessee prior to

1 commencement of brokerage services. Real estate brokerage agreements, or any
2 authority to represent a real estate buyer, seller, lessor, or lessee shall show a
3 definite date of expiration and shall be in writing, either on paper or in electronic
4 format, with one (1) copy to go to the client within three (3) business days of the
5 time of signing. The original and all electronic files shall be retained in the office
6 of the broker. (B) A brokerage agreement between a broker and a seller or lessor
7 shall:

8 (1) have a definite termination date that is effective automatically without
9 notice from the client;

10 (2) state the amount of compensation to be paid to the broker and whether
11 the broker is authorized to receive the compensation from a person other
12 than the client;

13 (3) state whether the broker is authorized to cooperate with other brokers
14 and share compensation with the other brokers and the amount of the
15 compensation described as a percentage of the purchase price, a specific dollar
16 amount, or a combination of both;

17 (4) explain the events or conditions that will entitle the broker to a
18 commission or other compensation; and

19 (5) contain a provision for the cancellation of the brokerage relationship by
20 either the client or the broker or by mutual agreement of the client and the
21 broker.

22 (C) The brokerage agreement between a broker and a buyer or lessee shall:

23 (1) Have a definite termination date that is effective automatically without
24 notice from the client;

25 (2) State the amount of compensation to be paid to the broker, described as a
26 percentage of the purchase price, a specific dollar amount, or a combination of
27 both;

1 (3) state whether the broker is authorizes to receive some or all of the
2 compensation to be paid to the broker from a person other than the client;

3 (4) State the client's rights and obligations regarding the compensation to be
4 paid to the broker if the broker is authorized to receive some or all of the
5 compensation to be paid to the broker from a person other than the client;

6 (5) Explain the events that must occur or conditions that must be met in
7 order for the broker to be entitled to a commission or other compensation; and

8 (6) Contain a provision for the cancellation of the brokerage relationship by
9 either the client or the broker or by mutual agreement of the client and the broker.