

**REAL ESTATE LICENSING AND REGISTRATION ACT - PROHIBITING CERTAIN ACTS**

**Act of Dec. 4, 2007, P.L. 431, No. 65**

**Cl. 63**

Session of 2007

No. 2007-65

SB 886

AN ACT

Amending the act of February 19, 1980 (P.L.15, No.9), entitled "An act establishing the State Real Estate Commission and providing for the licensing of real estate brokers and salesmen," further prohibiting certain acts.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 604(a)(18) of the act of February 19, 1980 (P.L.15, No.9), known as the Real Estate Licensing and Registration Act, amended July 1, 1990 (P.L.304, No.69), is amended to read:

Section 604. Prohibited acts.

(a) The commission may upon its own motion, and shall promptly upon the verified complaint in writing of any person setting forth a complaint under this section, ascertain the facts and, if warranted, hold a hearing for the suspension or revocation of a license or registration certificate or for the imposition of fines not exceeding \$1,000, or both. The commission shall have power to refuse a license or registration certificate for cause or to suspend or revoke a license or registration certificate or to levy fines up to \$1,000, or both, where the said license has been obtained by false representation, or by fraudulent act or conduct, or where a licensee or registrant, in performing or attempting to perform any of the acts mentioned herein, is found guilty of:

\* \* \*

(18) Soliciting, selling or offering for sale real property by offering free lots, or conducting lotteries or contests or offering prizes for the purpose of influencing by deceptive conduct any purchaser or prospective purchaser of real property. The commission shall promulgate necessary rules and regulations to provide standards for nondeception conduct under this paragraph.

(i) Any offering by mail or by telephone of any prize, gift, award or bonus in relation to the offering of sale of real property, including time sharing, shall be accompanied by a statement of the fair market value, not suggested retail price, of all prizes offered, plus a statement of the odds of receiving any such prize. If the offering is by mail the statement of value and odds shall be printed in a clear and conspicuous manner.

(ii) If a prize is to be awarded as a rebate, coupon or discount certificate, a statement of that fact shall

be included. An offering by mail shall include a statement of any fees and the maximum amount of each which the prizewinner must pay in order to receive the prize. Such fees shall include, but not be limited to, dealer preparation, shipping, handling, redemption and shipping insurance. Each fee associated with a prize and the odds of receiving the prize shall appear in a clear and conspicuous manner on any offering by mail.

(iii) An offering by mail shall be written in a clear and coherent manner, using common usages of words and terms. A concise description of the real property or interest being promoted shall appear in any offering and shall include a statement that the interest is a time share, where applicable. If the prospective prizewinner must personally visit and inspect the real property or interest being promoted and listen to a sales presentation in order to win a prize, the offering shall include a statement of that fact. An offering may include instructions for a recipient to contact a certain telephone number within a specified time period or by a specified date, if the offeror identifies the business entity and its relationship to the offeror and complies with this paragraph.

(iv) Substitutions of prizes having equal or greater fair market value may be made if the offeror complies with this paragraph.

**(v) (A) If a prospective purchaser must attend a time share sales presentation as a condition of the offering, the required disclosures for the offering shall:**

**(I) Be provided in writing or electronically, not orally.**

**(II) Be stated in a clear, coherent and conspicuous manner.**

**(III) For the disclosure regarding the scheduled sales presentation, appear in boldface type.**

**(B) The disclosures shall be provided at least once before the scheduled sales presentation and in a reasonable period of time before the scheduled sales presentation to ensure that the prospective purchaser receives the disclosures before departure to attend the sales presentation. If the initial invitation to the sales presentation is made to a prospective purchaser while the purchaser is on the premises, the disclosures may be provided directly to the prospective purchaser prior to the sales presentation.**

**(C) The required disclosures need not be in every advertisement or other written, oral or electronic communication provided or made to a prospective purchaser before a scheduled sales presentation.**

[ (v) ] **(vi)** As used in this paragraph, the term "prize" includes, but is not limited to, money, personal

property, vacations, travel certificates, motor vehicles  
and appliances.

\* \* \*

Section 2. This act shall take effect in 60 days.

APPROVED--The 4th day of December, A. D. 2007.

EDWARD G. RENDELL