

IMPLEMENTATION OF AB 2992 (2024) REGARDING BUYER-BROKER
REPRESENTATION AGREEMENTS

ADOPTED REGULATION TEXT

Title 10. Investment
Chapter 6. Real Estate Commissioner
Article 18.1. Buyer-Broker Representation Agreements

§ 2906.1. Term Limitations.

(a) The term "three months" as used in Section 1670.50(d)(1) and (2) of the Civil Code shall mean 90 calendar days with the first day starting on the day following the day that the last party signs the agreement, unless the parties agree in the agreement to a delayed effective date for a different starting date, in which case the 90 calendar days shall start on the agreed-upon date.

(b) The maximum three-month term limitations set forth in Section 1670.50(d)(1) and (2) of the Civil Code shall not apply to buyer-broker representation agreements between real estate brokers and corporations, limited liability companies, or partnerships.

(c) Buyer-broker representation agreements required pursuant to Section 1670.50 of the Civil Code shall not renew automatically.

(d) The parties may renew their buyer-broker representation agreement, but any renewal shall be in writing, dated, and signed by the parties prior to the expiration of the original agreement, and shall not exceed the term limitations set forth in Section 1670.50(d)(2) of the Civil Code. The effective date of the renewal shall be the day the last party signs the renewal agreement.

NOTE: Authority cited: Section 10080, Business and Professions Code. Reference: Sections 1670.50 and 2079.13, Civil Code.

§ 2906.2. Timing of Agreement Execution.

(a) Section 1670.50(a) of the Civil Code provides that "[a] buyer-broker representation agreement shall be executed between a buyer's agent and a buyer as soon as practicable, but no later than the execution of the buyer's offer to purchase real property." For purposes of Section 1670.50(a) of the Civil Code, there shall be a rebuttable presumption that it is practicable for a buyer's agent to obtain a signed buyer-broker representation agreement before the buyer's agent, or a salesperson or broker associate affiliated with that agent, shows a buyer a property in person or virtually.

(b) A virtual showing occurs when a buyer's agent, or a salesperson or broker associate affiliated with that agent, at the direction of that buyer, enters into or onto property that is for sale to provide to that buyer who is not physically present a live or recorded, digital walk-through of that property, including, but not limited to, images of the property's exterior or interior features.

(c) A seller's agent acting solely on behalf of a seller is not acting as a buyer's agent in showing a property to potential buyers, whether at an open house or any other showing.

NOTE: Authority cited: Section 10080, Business and Professions Code. Reference: Sections 1670.50 and 2079.13, Civil Code.

§ 2906.3. Agreement Required For Real Estate Brokers Representing Buyers of Real Property.

Buyer-broker representation agreements are only required if real estate brokers are performing services for or on behalf of buyers of real property or an interest in real property for which a real estate license is required as described in subdivision (a) of Section 10131 of the Business and Professions Code.

NOTE: Authority cited: Section 10080, Business and Professions Code. Reference: Sections 1670.50 and 2079.13, Civil Code; Section 10131, Business and Professions Code.