

# REAL ESTATE SETTLEMENT PROCEDURES ACT

# RESPA

## TOP WAYS IT APPLIES TO REAL ESTATE AGENTS/BROKERS:

- Cannot Pay or Provide Things of Value for Referrals, Except to Other Licensees
- Requires Affiliated Business Disclosures
- Affects Marketing Service Arrangements

## LIMIT YOUR RISK!

- ➔ Know the difference between referrals, rebates, and client gifts. Not everything is a RESPA violation, but also “working around” RESPA can lead to violating the law.
- ➔ Brokers should have office policies addressing referrals, affiliated business disclosures, and co-marketing agreements to ensure compliance.
- ➔ Penalties for violating RESPA can include jail time!