



# MAINE ASSOCIATION OF REALTORS®

Your Real Estate Experts

## **REFERRAL AGREEMENTS Q&A:**

by MAR Legal Counsel, Hannah McMullen

### **When can you pay a referral fee?**

Making a referral in exchange for compensation is brokerage and requires a license. In order to pay a referral fee to anyone, that person has to have an active real estate license. Because you cannot pay any type of compensation to a non-licensee, you also cannot pay gratuities (such as gift cards and gift certificates) to clients for referring real estate business to you. (FMI see the *Commission Corner* article in the Summer 2021 edition of the *Maine REALTOR®* magazine -page 14: [Click Here](#)).

### **When is it okay to pay a referral to a licensee from another state?**

Maine law states that “An agency may share compensation with a nonresident licensee when the service by the nonresident is performed outside the State.” (32 MRS 13067-A(8)). This means that the nonresident licensee may have their own compensation agreement and provide services to his or her client outside of the state of Maine. However, the nonresident licensee cannot perform any services in Maine including being on the Purchase and Sale Agreement. Therefore, it is up to the Maine licensee to have a separate written agreement with the nonresident licensee on what and how the non-resident licensee gets compensated. These agreements might vary depending on your office policy. MAR does have a “Referral Agreement” in Zipforms that may be used in this scenario as well.

### **BE AWARE – SAFETY REMINDER:**

MAR received notification from a REALTOR® in York County that there was a male, who would not provide his name and his phone number does not display with caller i.d., making repeated calls to the agency demanding that a REALTOR® meet him immediately at land he was due to inherit for assistance with determining the value of the

## **Quick Links**

[Maine Association of REALTORS®](#)

[National Association of REALTORS®](#)

[Maine Listings](#)

[Maine Real Estate Commission](#)

## **Board Portal Links**

[Greater Bangor Association of REALTORS®](#)

[Greater Portland Board of REALTORS®](#)

[Kennebec Valley Board of REALTORS®](#)

[Maine Association of REALTORS®](#)

- Maine Commercial Association
- MAR Only Members
- York County Council

[Mid-Coast Board of REALTORS®](#)

- Acadia Council
- Mid-Coast Council
- Penobscot Bay Council

[Mountains to Shore Board of REALTORS®](#)

- Androscoggin Valley Council
- Lincoln County Council
- Merrymeeting Council
- Western Maine Council

land. None of these agents agreed to meet the caller on his demands. The caller refused to set up an appointment on the terms of the agents. The towns of Alfred, Lyman and Waterboro have been mentioned in the calls.

A best practice reminder for REALTOR® safety: Always schedule first meetings with customers/clients in the office, verify their identity (take a photo of their driver's license), and introduce them to a colleague. For more ways to incorporate safety into your business: [Click Here](#)

### **MDIFW LANDOWNER RELATIONS PROGRAM:**

The Maine Department of Inland Fisheries and Wildlife's Landowner Relations Program, works to preserve Maine's unique history of public access to private land by:

- Promoting responsible land use to the public
- Educating landowners about their rights, liabilities, and options
- Forming partnerships and supporting landowners

Review this one-page flyer for information about their Outdoors Partners Program, the Beginning with Habitat Program, Landowner Outreach, and the upcoming Landowner Appreciation and Clean-Up Day (September 12). Feel free to share [this informational flyer](#) with your clients.

### **LIVE VIRTUAL TOWN HALL: FLOOD INSURANCE RISK RATING 2.0:**

NAR is hosting FEMA CEO David Maurstad on Monday, August 23 at 11:00 a.m. ET for a virtual town hall forum to discuss the future of the National Flood Insurance Program (NFIP) under Risk Rating 2.0. Risk Rating 2.0 represents the first significant update to NFIP rating methodology in almost 50 years. The new rates will begin to take effect on October 1, 2021, for new NFIP policyholders and existing policyholders who may want to opt in to take advantage of immediate decreases in their premiums. All other existing policyholders will receive the new rates on April 1, 2022.

FEMA Event Registration Link: [Click Here](#)

### **MAINE LISTINGS NEWS:**

- Free upcoming Flexmls webinars
- Maine Listings Board of Directors Actions
- Q2 2021 Buyer Statistics
- Flexmls Tip: Inputting the Selling Member on a Pending Listing

## **MAR Leadership**

President

Aaron Bolster

President Elect

Madeleine Hill

First Vice President

Carmen McPhail

Treasurer

Sherri Dunbar

Chief Executive Officer

Suzanne Guild

Last Issue: August 12

Some content may be commercial in nature.

[Here is the link](#)



Maine Association of REALTORS®  
19 Community Dr | Augusta, ME 04330  
Tel: (207) 622-7501 | Fax: (207) 623-3590  
Email: [info@mainerealtors.com](mailto:info@mainerealtors.com)

