2024 Real Estate Consumer Protection Enhancement Act

In early July, Gov. Murphy signed Bill S3192/A4454, also known as the Real Estate Consumer Protection Enhancement Act, into law. The law, which goes into effect Aug. 1, 2024, strengthens both consumer and real estate licensee protections. The main provisions of the new law include, but are not limited to, the following new mandates and allowances.

Seller's Property Condition Disclosure Form Required
Residential sellers must provide a fully completed property condition disclosure form before buyers are contractually obligated. This ensures buyers have all the necessary information, promoting informed decision-making and reducing potential disputes.

Brokerage Service Agreements Required
All real estate licensees will be required to use brokerage agreements, which outline services they will provide to all clients over the course of a respective transaction.

Designated Agency Now Allowed
Designated agency, which enables a brokerage to appoint different agents to represent both the seller and the buyer with full fiduciary duties at the clients request, is now permissable.

Agency Added as Required Core CE Topic
Licensees must complete continuing education classes every two years to stay informed and best serve their clients. One course on agency will be added to New Jersey Real Estate Commission continuing education requirements.

Open House Representation Signage Required
Listing agents will be required to explicitly diclose who they represent at open houses in the form of signage either at the entrance or sign-in sheet for all attendees to see.

Compensation Disclosure Changes Mandated in MLS
Sellers' agents can no longer disclose compensation in Multiple Listing Services or notify MLSs about cooperative compensation, if prohibited by MLS policy.