



TRAINING TIP OF THE WEEK

REFERRAL GIFTS

Changes to Division Rules Regarding What's Allowed... and What's Not.

Recently, the Division of Real Estate made changes to Rule R162-2f-401B (12) which NOW reads:

- (a) a licensee may give a gift valued at \$250 or less to an individual in appreciation for an unsolicited referral of a prospect that results in a real estate transaction; and*
- (b) As to a property management transaction, a licensee may compensate an unlicensed employee or previous or current tenant up to \$250 per lease for assistance in retaining an existing tenant or recurring a new tenant.*

Previously, the maximum gift value was capped at \$150. Let's illustrate how this works...

Buyer A uses Realtor B to help him purchase a home. Realtor B does a great job and Buyer A raves to everyone about the exceptional service received by Realtor B. Buyer A's sister, also decides to use Realtor B based on this recommendation. May Realtor B give Buyer A a gift in appreciation for the referral of their sister?

YES. Realtor B did not solicit the referral with the promise of a gift. Therefore, Realtor B may show their appreciation in the form of a gift, valued at no more than \$250.

Please note that asking for referrals from unlicensed individuals is perfectly fine to do. You can do so through social media, emails, phone calls, text, etc. However, make certain that in doing so, your advertising doesn't solicit referrals with the promise of a gift, otherwise, you'll be in violation of this Utah Administrative Code provision.

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