

On December 21, 2021, New York Real Property Law section 442-h (rules of the Secretary of State relating to real estate brokers and salespersons) was amended to require, in part, that real estate brokers “institute standardized operating procedures for the prerequisites prospective homebuyers must meet prior to receiving any services.”

The December amendment to section 442-h was signed contingent upon an agreement the Governor reached with the legislature to revise the legislation (Governor’s Approval Memo #80). The bill signed in December required, after a notice and hearing by the Department, that regulations be created addressing, at minimum:

- (i) whether prospective clients shall show identification;
- (ii) whether an exclusive broker agreement is required; and
- (iii) whether pre-approval for a mortgage loan is required.

- (i) ISO Property Corp does not require prospective clients to show identification. *
- (ii) ISO Property Corp requires an Exclusive Broker agreement effective August 17, 2024. *
- (iii) ISO Property Corp does not require a pre-approval for a mortgage from prospective clients.*

* Although Broker may not require such information, a seller of real estate may require this information prior to showing the property and/or as part of any purchase offer.