

HOUSE BILL NO. 5229

November 06, 2025, Introduced by Reps. Liberati, Cavitt, Fairbairn and Pavlov and referred to Committee on Regulatory Reform.

A bill to amend 1980 PA 299, entitled
"Occupational code,"
by amending section 2512d (MCL 339.2512d), as amended by 2016 PA
502.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2512d. (1) A licensee that is acting under the terms of a
2 service provision agreement shall perform the duties described in
3 subsection (2). A real estate broker may authorize a designated
4 agent to represent the client, if that authorization is in writing.
5 (2) A licensee that is acting under the terms of a service

1 provision agreement owes, at a minimum, the following duties to a
2 client:

3 (a) The exercise of reasonable care and skill in representing
4 the client and carrying out the responsibilities of the agency
5 relationship.

6 (b) The performance of the terms of the service provision
7 agreement.

8 (c) Loyalty to the interest of the client.

9 (d) Compliance with the laws, rules, and regulations of this
10 state and any applicable federal statutes or regulations.

11 (e) Referral of the client to other licensed professionals for
12 expert advice related to material matters that are not within the
13 expertise of the broker.

14 (f) An accounting in a timely manner of all money and property
15 received by the broker in which the client has or may have an
16 interest.

17 (g) Confidentiality of all information obtained in the course
18 of the agency relationship, unless disclosed with the client's
19 permission or as provided by law, including the duty not to
20 disclose confidential information to any licensee ~~who~~**that** is not
21 an agent of the client.

22 (3) A licensee that is acting under the terms of a service
23 provision agreement shall provide the following services to a
24 client:

25 (a) If the real estate broker or real estate salesperson is
26 representing a seller or lessor, the marketing of the client's
27 property in the manner agreed on in the service provision
28 agreement.

29 (b) Acceptance of delivery and presentation of offers and

1 counteroffers to buy, sell, or lease the client's property or the
2 property the client seeks to purchase or lease. At the time of
3 execution of an offer to purchase, a licensee shall recommend to
4 the ~~purchaser~~**buyer** that the ~~purchaser~~**buyer** require that the
5 seller provide a fee title policy in the amount of the purchase
6 price to the ~~purchaser~~**buyer**, issued or certified to the
7 approximate date of closing of the real estate transaction.

8 (c) Assistance in developing, communicating, negotiating, and
9 presenting offers, counteroffers, and related documents or notices
10 until a purchase or lease agreement is executed by all parties and
11 all contingencies are satisfied or waived.

12 (d) After execution of a purchase agreement by all parties,
13 assistance as necessary to complete the transaction under the terms
14 specified in the purchase agreement. Without written approval of
15 the buyer and seller, a licensee shall not close a transaction on
16 any terms or conditions that are contrary to the terms or
17 conditions of an executed purchase agreement.

18 (e) For a real estate broker or associate real estate broker
19 that is involved at the closing of a real estate or business
20 opportunity transaction, furnishing, or causing to be furnished, to
21 the buyer and seller, a complete and detailed closing statement
22 signed by the broker or associate real estate broker showing each
23 party all receipts and disbursements affecting that party. However,
24 this subdivision does not apply if the closing is conducted by a
25 title insurance company, or a person designated to act as the agent
26 of a title insurance company, that is licensed or authorized to do
27 business in this state.

28 (4) A real estate broker or real estate salesperson that is
29 representing a seller under a service provision agreement shall not

1 advertise the property to the public as "for sale by owner" or
2 otherwise mislead the public to believe that the seller is not
3 represented by a real estate broker.

4 (5) The services described in subsection (3)(b), (c), and (d)
5 may be waived **by a seller or lessor** in a limited service agreement.

6 Enacting section 1. This amendatory act does not take effect
7 unless all of the following bills of the 103rd Legislature are
8 enacted into law:

9 (a) House Bill No. 5228 (request no. H04895'25).

10 (b) House Bill No. 5227 (request no. H04897'25).