

**V.I. REAL ESTATE COMMISSION
REGISTRATION LAW**

Title 27 Chapter 15 §421 Virgin Islands Code

§421. Definitions

As used in this chapter, unless otherwise provided or the context requires a different construction, application or meaning-

“Commission” Means the Virgin Islands Real Estate Commission created in section 175 of Title 3.

“Real Estate” Means leaseholds, as well as other interest or estate in land, whether corporeal, freehold or non-freehold, and whether the real estate is situated in the Virgin Islands or elsewhere.

“Real Estate Broker” Means any person who shall act as agent for any principal involved in the sale, purchase, lease or rental of real property, or who solicits listings of real estate for the same purpose, or who advertises or holds himself out as engaged in any of the foregoing activities; it also includes any person who engages in the business of charging an advance fee or contracting for collection of a fee in connection with any contract whereby he undertakes primarily to promote the sale of real estate through its listing in a publication issued primarily for such purpose, or for referral of information concerning such real estate to brokers, or both.

“Real Estate Salesman” Means any person employed or engaged under contract by or on behalf of a licensed real estate broker to participate in any activity of the real estate broker directly relating to the sale, purchase, lease or rental of real property, for compensation or otherwise.

§421a. Virgin Islands Real Estate Commission

Establishment

- (a) There is hereby created within the Department the Virgin Islands Real Estate Commission.

Composition; Qualification of Members

- (b) The Commission shall be composed of seven (7) members appointed by the Governor, not more than three of whom shall be licensed real estate brokers, and at least one of whom shall be an attorney. They shall be citizens of the United States and residents of the Virgin Islands. The members who are real estate brokers shall have been licensed as brokers in the Virgin Islands for at least five (5) consecutive years prior to the date of appointment; provided, however, that for the purpose of this requirement licensure as a real estate agent in the Virgin Islands prior to December 1, 1967, may be counted. Not more than three (3) members may reside in any one island.

Appointment of members; terms

- (c) The Governor shall make initial appointments to the Commission within sixty days after the effective date of this Act, three members to be appointed for initial terms of four years. Thereafter, all members shall be appointed for terms of four years, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Each member shall serve until the appointment and qualification of his successor. Appointment of members to the Commission shall be subject to confirmation by the Legislature.

Chairman

- (d) The Commission shall annually elect one of its members to serve as Chairman; provided that the Governor shall designate the Chairman of the Commission initially appointed under this section.

Compensation

- (e) The members of the Commission shall serve without compensation, but shall be subject to the provisions of section 65 of this Code.

Removal of Members

- (f) The members may be removed by the Governor for cause.

§422. Duties of Real Estate Commission

In addition to any other powers and duties that may be provided by law, the Commission shall administer the provisions of this chapter, except as otherwise specifically provided, and without limitation on the generality of the foregoing shall have the powers and duty to:

1. adopt an official seal;
2. employ counsel, subpoena witnesses and administer oaths;
3. keep records of its proceedings;
4. recommend the issuance, suspension, revocation or reinstatement of licenses under this chapter.
5. submit to the Governor through the Commissioner of Licensing and Consumer Affairs annual reports containing a summary of its work, a register of all persons licensed under the provisions of this chapter.
6. adopt, amend and repeal rules and regulations and by-laws not inconsistent with the provisions of this chapter relating to the organization and operations of the Commission and the licensing under this chapter of real estate brokers and real estate salesmen, which rules, regulations or by-laws shall be approved by the Governor.

§423. Issuance of licenses

- (a) From and after the effective date of this chapter, it shall be unlawful for any person, partnership, association or corporation to engage in or carry on the business, or act in the capacity of real estate broker or a real estate salesman within the Virgin Islands without first obtaining a license as provided in this Chapter.
- (b) No person may be licensed as a real estate broker unless, in the case of a natural person, such person is
 1. at least eighteen years of age,
 2. a citizen of the United States or a permanent resident alien, and

3. a resident of the Virgin Islands for at least two (2) consecutive years prior to the date of the application; provided, however, that any person admitted to practice law in the Virgin Islands as a member of the Virgin Islands Bar shall, upon application and a showing of his membership and a payment of the required fee, be issued a license as a real estate broker.
- (c) No partnership, association, or corporation shall be licensed as a real estate broker, unless at least one of the members of any such partnership or association or at least one of the members of any such corporation is duly licensed as a real estate broker.
- (d) No person may be licensed as a real estate salesman unless he is
1. at least twenty-one years of age,
 2. a citizen of the United States or a permanent resident alien, and
 3. a resident of the Virgin Islands for at least one year prior to the date of the application. No real estate salesman's license may be issued to a partnership, association or corporation. A real estate salesman shall be sponsored by a licensed real estate broker.

§424. Application for license

- (a) Application for a license as a real estate broker or a real estate salesman shall be made to the Commission on such forms as it shall prescribe.
- (b) Such further reasonable and pertinent information as the Commission may require shall be furnished by the applicant for license as a real estate broker to enable the Commission to determine the honesty, trustworthiness and good moral character of the applicant, if an individual, or if each member of a partnership or each officer of a corporation for whom a license as a broker is applied.

§425. Examination of applicants

- (a) In addition to proof of honesty, trustworthiness and good moral character, each applicant for a first real estate broker's license shall pass a written examination prepared by or under the supervision of the Commission. The

examination shall be offered at such times, not less frequently than semiannually, and at such places within the Virgin Islands as the Commission shall prescribe. The Commission shall require proof that the applicant has actively participated in the general real estate brokerage business as a licensed real estate broker for a period of not less than two years or that he has had the equivalent experience in general real estate business for a period of at least two years. The nature of such experience shall be established by affidavit duly sworn to under oath and/or other and further proof required by the Commission, or that he has actively participated in the general real estate brokerage business as a licensed real estate salesman under the supervision of a licensed real estate broker for a period of not less than one year and has attended for at least forty-five hours and has successfully completed a real estate course or courses approved by the Commissions as to method and content and supervision, which approval may be withdrawn if in the opinion of the Commission said course or courses are not being conducted properly as to method, content, and supervision; provided, that the requirement of a course or courses in real estate shall be waived by the Commission if same are not available locally through an accredited educational institution or otherwise within the Virgin Islands.

- (b) In addition to proof of honesty, trustworthiness, and good moral character, each applicant for a first real estate salesman's license shall pass a written examination prepared by or under the supervision of the Commission. The examination shall be offered at such times, not less frequently than semiannually and at such places within the Virgin Islands as the Commission shall prescribe; Provided that the Commission may issue to an applicant for a salesman's license upon the written request of his employer who shall thereby express willingness to stand responsible for the acts of such a salesman, a temporary permit for a period not to exceed ninety days, pending a written examination. Not more than one such permit shall be issued to the same applicant during the same license term. The authority to act under said temporary permit shall terminate upon the expiration date thereof or as of the date when the holder thereof successfully qualifies for a real estate salesman's license by written examination pursuant to the terms of this section Provided, that any such person who submits satisfactory proof to the Commission that (1) he has been employed as a real estate salesman by a licensed real estate agent in the Virgin Islands for not less than ninety (90) days immediately prior to May 4, 1967, and (2) he otherwise meets the requirements for a license as a real estate salesman, may obtain such a license without examination, provided that application

therefore is submitted to the Commissioner prior to December 1, 1967, and he is employed by a licensed real estate agent or broker on the date of such submission.

- (c) The examination for a real estate broker's license shall be designated to demonstrate that the applicant has an adequate understanding of the general purposes and the general legal effects of deeds, mortgages, land contracts of sale, and leases and an adequate understanding of the obligations between both principals and the agent in a real estate transaction, as well as the provisions of this Act. The examination for a real estate broker's license shall be of a more exacting nature and scope and more stringent than the examination for a real estate salesman's license. An applicant who has failed twice in succession to pass the examination shall not be eligible for a further examination until six months have passed. Notwithstanding the foregoing, any person who submits satisfactory proof to the Commission that he was licensed as a real estate agent in the Virgin Islands on May 4, 1967, shall be issued a license without examination, provided that the application therefore is made prior to December 1, 1967. The Commission shall publish information to this effect in newspapers of general circulation in the Virgin Islands.

§425a. Issuance of licenses without examination

Notwithstanding any provision of law to the contrary, the Virgin Islands Real Estate Commission shall issue a real estate broker's license to any person

1. who held a valid real estate agent's license in the Virgin Islands prior to May 4, 1967,
2. who meets the other qualifications for licensure as a real estate broker required by the provisions of the chapter and
3. who applies in writing to the Commission for a license under this Act within thirty (30) days after this Act becomes effective, without requiring such person to take an examination.

§426. Issuance of the license

- (a) The Commission shall report its recommendations with respect to the issuance of licenses, including the results of examinations, where such are required, to the Department of Licensing & Consumer Affairs, who upon

determination that all requirements have been met shall issue a license to each qualifying applicant within thirty days. If the Commissioner of Licensing & Consumer Affairs determines that all requirements have not been met and refuses to issue a license to an applicant, he shall notify the Commission in writing of the reasons for his determination and refusal within ten days.

- (b) The Commission shall prepare and issue to each licensee a pocket card of such size and design as the Commission may prescribe and which shall contain the name and business address of the licensee and shall certify that the person whose name appears thereon is a licensed real estate broker, or real estate salesman, as the case may be. Each such pocket card shall bear the imprint or impress of the seal of the Commission. The pocket card issued with a real estate salesman's license shall be delivered to the salesman as soon as received by the real estate broker from the Commission. Such card shall be shown on demand.

§427. Effective term of license

All licenses issued under the provisions of this chapter shall expire on December 31st of the year in which issued. Thereafter, such licenses shall be renewed annually, by payment of the prescribed fee, as a condition to engaging in the real estate business as a real estate broker or a real estate salesman.

§428. Fixed office required of real estate broker.

- (a) Each resident licensed real estate broker shall maintain a fixed office within the Virgin Islands which shall be designated in his license. The original license as real estate salesman in the employ of or under contract to such broker shall be prominently displayed in the office. In case of removal from the designated address, the licensee shall make application to the Commission, designating the new location of his office.
- (b) If the applicant for a real estate broker's license maintains more than one place of business within the Virgin Islands, he shall apply for and obtain an additional license for each branch office so maintained by him.

§429. Suspension or revocation of license

- (a) The Commissioner of Licensing and Consumer Affairs, upon the recommendation of the Commissions, and subject to appeal to the

Governor within fifteen (15) days after such recommendation, may revoke or suspend the license of any person under this chapter who, after due notice and hearing by the Commission is found guilty of any of the offenses described in this chapter.

- (b) The Commission may, upon its own motion, or upon the verified complaint in writing of any person, hold a hearing for the suspension or revocation of a license. The Commission may recommend to the Commissioner of Licensing and Consumer Affairs the revocation or suspension of a license where it has been obtained by fraud or false representation, or where the licensee, in performing or attempting to perform any of the acts mentioned herein, is found guilty of:
1. Pursuing a continued and flagrant course of misrepresentation, or making false promises through agents or salesmen or any medium of advertising, or otherwise, or
 2. Misleading or untruthful advertising, or using the trade name or insignia of member of any real estate organization or which the licensee is not a member, or
 3. Failing within a reasonable time to account for or remit any monies coming into his possession, which belongs to others, commingling funds of others with his own, or failing to keep such funds or others in escrow or trustee account, or
 4. Being convicted in a court of competent jurisdiction of forgery, embezzlement, obtaining money under false pretenses, extortion, conspiracy to defraud, or any similar offense or offenses, or pleading guilty nolo contendere to any such offense or offenses, or
 5. Failing to furnish a copy of any written instrument to any party executing the same at the time thereof, or
 6. Any conduct in a real estate transaction which demonstrates bad faith, dishonesty, untrustworthiness or incompetency, or
 7. Failure to disclose to an owner his intention or true position where he directly or indirectly purchases for himself, or acquires or intends to acquire any interest in, or options to purchase property which he or his associates have been employed or sell, or

8. Failing to make known for which party he is acting, or receiving compensation from more than one party, except with the full knowledge of both parties, or
9. Dividing a commission or any other valuable consideration with any person who is not authorized to engage in the real estate business.

§430. Fees

The following fees shall be charged and collected by the Commission and paid into the Treasury of the Virgin Islands:

1. For each examination for a broker's license a fee of \$20.00; for a salesman's license a fee of \$5.00.
2. For the issuance or renewal of each broker's license, a fee of \$250.00.
3. For the issuance or renewal of each salesman's license issued a fee of \$200.00.
4. For each additional office or place of business, an annual fee of \$50.00.
5. For each change of business or change of employee or contractual associate, a fee of \$50.00.
6. For each duplicate license, where the original license is lost or destroyed and affidavit is made thereof, a fee of \$2.00.
7. For each duplicate pocket card, where the original pocket card is lost or destroyed and affidavit is made thereof, a fee of \$1.00.

§431. Prohibitions

- (a) No person shall maintain an action in any court of the Virgin Islands for the recovery of a commission, fee, or compensation for any act done, the doing of which is prohibited under this chapter by other than a licensed real estate broker or a licensed real estate salesman, unless such person was licensed hereunder as a broker or salesman at the time of the doing of the act.

- (b) No person shall assume or use the title or designation "real estate broker", "real estate salesman", "realtor", "realty", or any other title, designation, words, letters, abbreviations, signs, cards, or device tending to indicate that such person is a real estate broker or real estate salesman unless such person is duly licensed as a real estate broker or a real estate salesman, as the case may be, under the provisions of this chapter.
- (c) Any person who willfully violates any of the provisions of this chapter or any rules or regulations issued hereunder shall be fined not more than \$500.00 or imprisoned not more than six months or both.