

**RULES
OF
TENNESSEE REAL ESTATE COMMISSION**

**CHAPTER 1260-03
RENTAL LOCATION AGENTS**

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1260-03-.01 RENTAL LOCATION AGENCY LICENSE. Each individual or firm (partnership, corporation, or association) other than licensed real estate brokers or real estate salesmen employed by licensed real estate brokers is hereby required to obtain a special license to operate in the State of Tennessee as a Rental Location Agency and furnish proof to the Commission of honesty, integrity, and business organization by supplying information on a special application designed for this purpose before beginning operations as a "Rental Location Agent." The Tennessee Real estate Commission may require the applicant to personally appear before the Commission for an oral examination or interview.

Authority: T.C.A. § 62-2501. **Administrative History:** Original Rule filed November 14, 1978; effective December 29, 1978.

1260-03-.02 RENTAL LOCATION AGENT'S LICENSES. Each individual employee of a licensed rental location agency will be required to obtain a separate license and complete a similar license application before beginning employment in a rental location agency. This individual license shall be issued, renewed, or transferred on the same basis as all other licenses issued by the Tennessee Real Estate Commission. Changes of business address will be considered transfers of license and retirements will not be allowed.

Authority: T.C.A. § 62-2501. **Administrative History:** Original Rule filed November 14, 1978; effective December 29, 1978.

1260-03-.03 INVESTIGATIONS AND OFFICE INSPECTIONS. Agency license applicants or individual applicants for license shall be subject to a credit, criminal, and background investigation by the authorized agents of the Tennessee Real Estate Commission before each license is approved. Office inspections will be made periodically to assure compliance with Chapter 663 of the Public Act of 1978.

Authority: T.C.A. § 62-2501. **Administrative History:** Original rule filed November 14, 1978; effective December 29, 1978.

1260-03-.04 REQUIREMENT OF CONTRACT OR RECEIPT. Every Rental Location Agent shall give to each customer who pays full or partial consideration for the services of the Agent a contract or receipt conforming to the requirements of Rule 1260-03-.05.

Authority: T.C.A. § 62-2501. **Administrative History:** Original Rule filed November 14, 1978; effective December 29, 1978.

1260-03-.05 TERMS OF CONTRACT OR RECEIPT.

- (1) Every contract or receipt provided pursuant to Rule 1260-03-.04 shall contain the legends set forth in paragraphs (2), (3) and (4) hereof, and shall provide blanks for insertion of the information required by paragraph (5) hereof. The legends shall be set in boldface type of at least the greater of 10 points or the largest size type in the remainder of the contract or receipt. If the contract or receipt is not printed, the legends shall be in all capital letters, and

(Rule 1260-03-.05, continued)

no other part of the contract or receipt other than the name of the Rental Location Agent shall be in all capital letters.

- (2) The contract or receipt shall include the following legend regarding the services to be provided to the customer:

NOTICE: THIS IS AN INFORMATION SERVICE ONLY. NO ATTEMPT IS MADE TO SECURE HOUSING FOR YOU. THE SERVICE OFFERS ONLY COMPILED INFORMATION CONCERNING AVAILABLE RENTAL HOUSING UNITS.

- (3) The contract or receipt shall include the following legend regarding the services to be provided to the customer, with the blank filled in with the name of the Rental Location Agent.

A representative of () must mark one of the following boxes after checking the current listings of rental property.

Rental property meeting your needs as described herein has been verified as available with the last 72 hours.

No property meeting your needs or described above can be verified as currently available.

- (4) The contract or receipt shall include the following legend, with the blanks filled in with the correct names and addresses:

You are entitled to a refund of all but \$10.00 if after a bonafide effort you fail to find a rental through our services. To qualify you must make contact either in person or by telephone with (name) at least once each day for at least 10 days, and attempt to contact each landlord whose telephone number is given to you as soon as possible. If you find a rental other than through (name) prior to the expiration of 10 days you will also receive the refund. To obtain your refund write to (name) stating the amount owed and the address to which is to be sent. Letters should be mailed or delivered to:

(name)
(address)

Your refund will be mailed within 10 days of receipt.

- (5) The contract or receipt shall provide spaces for insertion of at least the following specifications as to property sought by the customer.

- (a) Maximum rent per month
- (b) Number of bedrooms
- (c) Number of children
- (d) Pet
- (e) General location

For purposes of subparagraph (e), the Rental Location Agent shall show to each customer a map dividing the area served by the Rental Location Agent into numbered districts not larger than zip code areas, and which may provide special districts relating to universities or colleges or other areas of high density population of renters. The number or numbers of districts acceptable to the customer shall be set forth in the space provided for "general location."

(Rule 1260-03-.05, continued)

Authority: T.C.A. § 62-2501. **Administrative History:** Original rule filed November 14, 1978; effective December 29, 1978.

1260-03-.06 STANDARDS FOR ORAL OR WRITTEN REPRESENTATIONS OF AVAILABILITY.

- (1) No rental housing shall be advertised in any medium unless its availability for rental has been verified by the Rental Location Agent on the day the request for advertising is made to the medium.
- (2) The availability for rental of all advertised property shall be verified daily so long as the advertisements shall continue to be published. Upon learning that advertised property is no longer available, the Rental Location Agent shall immediately take all possible steps to cause cancellation of the advertisement. Persons who advise the Rental Location Agent by telephone or otherwise that they are responding to an advertisement for property which the Rental Location Agent knows is no longer available for rent shall be advised immediately that such property is not available. These provisions shall not prohibit the Rental Location Agent from advising such person of the existence of any other similar listed property which has been verified as to availability as required by paragraphs (1), (2) and (3) hereof.
- (3) With respect to any property not being advertised, the Rental Location Agent shall not represent that it is available for rental unless availability shall have been verified with 72 hours of the time at which a representation of availability is made. If such verification cannot be made within such time, the property shall be removed from the listings until it has been verified as available and no representation of availability shall be made by the Rental Location Agent.
- (4) The following information shall be fully, accurately and clearly disclosed with respect to any property as to which a representation of availability is made:
 - (a) The date of availability for occupancy of the property if not currently available.
 - (b) The monthly rent.
 - (c) The existence (and the amount, if known) of any damage deposit, security deposit, clean-up fees, rent prepayment, or similar charges over and above the monthly rent.
 - (d) The number of bedrooms.
 - (e) Whether a lease is required.
 - (f) Restrictions on the property, such as no pets, except restrictions imposed by federal, state or local law.
 - (g) The types of housing, such as single family, duplex or trailer.
 - (h) The location of the rental housing by reference to the areas required to be established in accordance with Section 1260-03-.02(5)(e) or otherwise.
 - (i) The utilities paid for, if any.
 - (j) The telephone number of the landlord.

Notwithstanding the foregoing, in the case of advertising, only the information in subparagraphs (a), (b) and (h) must be disclosed.

(Rule 1260-03-.06, continued)

- (5) No representation shall be made to any person that rental property meeting the needs of such person is contained in the Rental Location Agent's listings unless such is the fact and unless the availability of such property shall have been verified as required by paragraphs (1), (2) and (3) hereof as applicable.
- (6) For purposes of this Rule 1260-03-.06, the term "Rental Location Agent" shall include the licensed Rental Location Agent, all employees and agents of such Rental Location Agent.

Authority: T.C.A. § 62-2501. **Administrative History:** Original Rule filed November 14, 1978; effective December 29, 1978.