Home Builder Registration Unit Consumer Protection Division Maryland Attorney General www.oag.state.md.us/homebuilder/index.html

Home Builder Registration:

All home builders who build homes in Maryland must be registered with the Home Builder Registration Unit. The Act requires persons to register who build new homes OR who enter into contracts to sell new homes to consumers. A builder can register by mail or online and pay the registration fee of \$600.00.

Who must register as a home builder?

The Act requires persons to register who build new homes or who enter into contracts to sell new homes to consumers. Some builders have a single legal entity that both builds the home and sells it to the consumer. For such a builder, that single legal entity will have to register as a home builder. Other builders have one legal entity construct the home and a separate legal entity sell it. For such a builder, both legal entities will have to register as a home builder.

There are six important types of legal entities or people who do NOT have to register under the Act. They are:

i) an employee of a registrant who does not hold himself or herself out for hire in home building except as an employee of a registrant;

ii) subcontractors or other vendors hired by the registrant to perform services or supply materials for the construction of a new home who do not otherwise meet the requirements of the Act;

iii) the manufacturer of industrialized buildings intended for residential use or of mobile homes, unless the manufacturer also installs the industrialized buildings or mobile homes;

iv) a real estate developer who does not construct or sell homes;

v) a financial institution the lends funds for the construction or purchase of residential dwellings in the State; or

vi) a person who erects or constructs new homes solely in Montgomery County

Home Builder Sales Representative Registration

Effective October 1, 2008, all Sales Representatives for home builders in Maryland must be registered with the Home Builder Registration Unit, including Sales Representatives for home builders who build exclusively in Montgomery County. The registration requirement replaces the requirement that sales agents for home builders be licensed by the Maryland Real Estate Brokerage Services. Information about what constitutes providing Real Estate Brokerage Services may be found on the Real Estate Commission's website,

www.dllr.state.md.us/license/occprof/recomm.html

Who must register as a Home Builder Sales Representative?

A "Sales Representative" is defined as "an individual employed by a home builder as the home builder's representative to consumers regarding the purchase of a new home from the home builder." A Sales Representative is an individual who has primary responsibility on behalf of a home builder for interacting with a consumer with respect to the purchase of a new home. This includes the presentation and completion of contractual documents, as well as modification of those documents. It also involves serving as the principal point of contact between the home builder and the consumer from initial visit by the consumer to the home builder's sales office tot the closing of the purchase. All Sales Representatives must be registered.