

# HB3186



## 104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3186

Introduced 2/18/2025, by Rep. Dagmara Avelar

### SYNOPSIS AS INTRODUCED:

225 ILCS 454/10-30

Amends the Real Estate License Act of 2000. Requires advertising under the Act to contain information about the nature and cost of homeowner's association fees if residential real estate is being advertised. Requires that this disclosure must be in any Multiple Listing Service (MLS) used in the advertising.

LRB104 10956 JRC 21038 b

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Real Estate License Act of 2000 is amended  
5 by changing Section 10-30 as follows:

6 (225 ILCS 454/10-30)

7 (Section scheduled to be repealed on January 1, 2030)

8 Sec. 10-30. Advertising.

9 (a) No advertising, whether in print, via the Internet, or  
10 through social media, digital forums, or any other media,  
11 shall be fraudulent, deceptive, inherently misleading, or  
12 proven to be misleading in practice. Advertising shall be  
13 considered misleading or untruthful if, when taken as a whole,  
14 there is a distinct and reasonable possibility that it will be  
15 misunderstood or will deceive the ordinary consumer.  
16 Advertising shall contain all information necessary to  
17 communicate the information contained therein to the public in  
18 an accurate, direct, and readily comprehensible manner. If  
19 residential real estate is being advertised that belongs to a  
20 homeowner's association, it must contain information about the  
21 nature and cost of homeowner's association fees. This  
22 disclosure must be in any Multiple Listing Service (MLS) used  
23 in the advertising. Team names may not contain inherently

1 misleading terms, such as "company", "realty", "real estate",  
2 "agency", "associates", "brokers", "properties", or  
3 "property".

4 (b) No blind advertisements may be used by any licensee,  
5 in any media, except as provided for in this Section.

6 (c) A licensee shall disclose, in writing, to all parties  
7 in a transaction the licensee's status as a licensee and any  
8 and all interest the licensee has or may have in the real  
9 estate constituting the subject matter thereof, directly or  
10 indirectly, according to the following guidelines:

11 (1) On broker yard signs or in broker advertisements,  
12 no disclosure of ownership is necessary. However, the  
13 ownership shall be indicated on any property data form  
14 accessible to the consumer and disclosed to persons  
15 responding to any advertisement or any sign. The term  
16 "broker owned" or "agent owned" is sufficient disclosure.

17 (2) A sponsored or inactive licensee selling or  
18 leasing property, owned solely by the sponsored or  
19 inactive licensee, without utilizing brokerage services of  
20 their sponsoring broker or any other licensee, may  
21 advertise "By Owner". For purposes of this Section,  
22 property is "solely owned" by a sponsored or inactive  
23 licensee if the licensee (i) has a 100% ownership interest  
24 alone, (ii) has ownership as a joint tenant or tenant by  
25 the entirety, or (iii) holds a 100% beneficial interest in  
26 a land trust. Sponsored or inactive licensees selling or

1 leasing "By Owner" shall comply with the following if  
2 advertising by owner:

3 (A) On "By Owner" yard signs, the sponsored or  
4 inactive licensee shall indicate "broker owned" or  
5 "agent owned." "By Owner" advertisements used in any  
6 medium of advertising shall include the term "broker  
7 owned" or "agent owned."

8 (B) If a sponsored or inactive licensee runs  
9 advertisements, for the purpose of purchasing or  
10 leasing real estate, the licensee shall disclose in  
11 the advertisements the licensee's status as a  
12 licensee.

13 (C) A sponsored or inactive licensee shall not use  
14 the sponsoring broker's name or the sponsoring  
15 broker's company name in connection with the sale,  
16 lease, or advertisement of the property nor utilize  
17 the sponsoring broker's or company's name in  
18 connection with the sale, lease, or advertising of the  
19 property in a manner likely to create confusion among  
20 the public as to whether or not the services of a real  
21 estate company are being utilized or whether or not a  
22 real estate company has an ownership interest in the  
23 property.

24 (d) A sponsored licensee may not advertise under the  
25 licensee's own name. Advertising in any media shall be under  
26 the direct supervision of the sponsoring or designated

1 managing broker and in the sponsoring broker's business name,  
2 which in the case of a franchise shall include the franchise  
3 affiliation as well as the name of the individual firm. This  
4 provision does not apply under the following circumstances:

5 (1) When a licensee enters into a brokerage agreement  
6 relating to real estate owned by the licensee, or real  
7 estate in which the licensee has an ownership interest,  
8 with another licensed broker; or

9 (2) When a licensee is selling or leasing real estate  
10 owned by the licensee or buying or leasing real estate for  
11 their own use, after providing the appropriate written  
12 disclosure of ownership interest as required in paragraph  
13 (2) of subsection (c) of this Section.

14 (e) No licensee shall list the licensee's name or  
15 otherwise advertise in the licensee's own name to the general  
16 public through any medium of advertising as being in the real  
17 estate business without listing the sponsoring broker's  
18 business name.

19 (f) The sponsoring broker's business name and the name of  
20 the licensee must appear in all advertisements, including  
21 business cards. In advertising that includes the sponsoring  
22 broker's name and a team name or individual broker's name, the  
23 sponsoring broker's business name shall be at least equal in  
24 size or larger than the team name or that of the individual.

25 (g) Those individuals licensed as a managing broker and  
26 designated with the Department as a designated managing broker

1 by their sponsoring broker shall identify themselves to the  
2 public in advertising, except on "For Sale" or similar signs,  
3 as a designated managing broker. No other individuals holding  
4 a managing broker's license may hold themselves out to the  
5 public or other licensees as a designated managing broker, but  
6 they may hold themselves out to be a managing broker.

7 (Source: P.A. 103-236, eff. 1-1-24.)