As Passed by the House

136th General Assembly

Regular Session 2025-2026

Am. S. B. No. 155

Senators Brenner, Ingram

Cosponsors: Senators Manning, Antonio, Blackshear, Cirino, Craig, DeMora, Gavarone, Hicks-Hudson, Liston, Patton, Reineke, Reynolds, Roegner, Smith, Timken, Weinstein, Wilson

Representatives Brownlee, Abdullahi, Barhorst, Brennan, Brewer, Claggett, Cockley, Daniels, Deeter, Dovilla, Ghanbari, Glassburn, Grim, Hall, D., Hall, T., Hiner, Holmes, Hoops, Jarrells, John, King, Kishman, LaRe, Lear, Lett, Manning, Mathews, A., Miller, J., Miller, K., Miller, M., Mohamed, Newman, Oelslager, Peterson, Piccolantonio, Pizzulli, Plummer, Rader, Ray, Richardson, Robb Blasdel, Rogers, Schmidt, Sigrist, Sims, Somani, Synenberg, Thomas, D., Tims, Troy, Upchurch, White, A., White, E., Williams, Willis, Young

То	amend sections 4735.18 and 4735.24 and to enact	1
	section 5301.95 of the Revised Code to amend the	2
	law related to real estate wholesalers.	3

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 4735.18 and 4735.24 be amended	4
and section 5301.95 of the Revised Code be enacted to read as	5
follows:	6
Sec. 4735.18. (A) Subject to section 4735.32 of the	7
Revised Code, the superintendent of real estate, upon the	8
superintendent's own motion, may investigate the conduct of any	9
licensee. Subject to division (E) of this section and section	10
4735.32 of the Revised Code, the Ohio real estate commission	11
shall impose disciplinary sanctions upon any licensee who,	12
whether or not acting in the licensee's capacity as a real	13

estate broker or salesperson, or in handling the licensee's own	14
property, is found to have been convicted of a felony or a crime	15
of moral turpitude, and may impose disciplinary sanctions upon	16
any licensee who, in the licensee's capacity as a real estate	17
broker or salesperson, or in handling the licensee's own	18
property, is found guilty of:	19
(1) Knowingly making any misrepresentation;	20
(2) Making any false promises with intent to influence,	21
persuade, or induce;	22
(3) A continued course of misrepresentation or the making	23
of false promises through agents, salespersons, advertising, or	24
otherwise;	25
(4) Acting for more than one party in a transaction except	26
as permitted by and in compliance with section 4735.71 of the	27
Revised Code;	28
(5) Failure within a reasonable time to account for or to	29
remit any money coming into the licensee's possession which	30
belongs to others;	31
(6) Dishonest or illegal dealing, gross negligence,	32
incompetency, or misconduct;	33
(7)(a) By final adjudication by a court, a violation of	34
any municipal or federal civil rights law relevant to the	35
protection of purchasers or sellers of real estate or, by final	36
adjudication by a court, any unlawful discriminatory practice	37
pertaining to the purchase or sale of real estate prohibited by	38
Chapter 4112. of the Revised Code, provided that such violation	39
arose out of a situation wherein parties were engaged in bona	40
fide efforts to purchase, sell, or lease real estate, in the	41
licensee's practice as a licensed real estate broker or	42

salesperson;	43
(b) A second or subsequent violation of any unlawful	44
discriminatory practice pertaining to the purchase or sale of	45
real estate prohibited by Chapter 4112. of the Revised Code or	46
any second or subsequent violation of municipal or federal civil	47
rights laws relevant to purchasing or selling real estate	48
whether or not there has been a final adjudication by a court,	49
provided that such violation arose out of a situation wherein	50
parties were engaged in bona fide efforts to purchase, sell, or	51
lease real estate. For any second offense under this division,	52
the commission shall suspend for a minimum of two months or	53
revoke the license of the broker or salesperson. For any	54
subsequent offense, the commission shall revoke the license of	55
the broker or salesperson.	56
(8) Procuring a license under this chapter, for the	57
licensee or any salesperson by fraud, misrepresentation, or	58
deceit;	59
(9) Having violated or failed to comply with any provision	60
of sections 4735.51 to 4735.74 of the Revised Code or having	61
willfully disregarded or violated any other provisions of this	62
chapter;	63
(10) As a real estate broker, having demanded, without	64
reasonable cause, other than from a broker licensed under this	65
chapter, a commission to which the licensee is not entitled, or,	66
as a real estate salesperson, having demanded, without	67
reasonable cause, a commission to which the licensee is not	68
entitled;	69
(11) Except as permitted under section 4735.20 of the	70

Revised Code, having paid commissions or fees to, or divided

commissions or fees with, anyone not licensed as a real estate	72
broker or salesperson under this chapter or anyone not operating	73
as an out-of-state commercial real estate broker or salesperson	74
under section 4735.022 of the Revised Code;	75
(12) Having falsely represented membership in any real	76
estate professional association of which the licensee is not a	77
member;	78
(13) Having accepted, given, or charged any undisclosed	79
commission, rebate, or direct profit on expenditures made for a	80
principal;	81
(14) Having offered anything of value other than the	82
consideration recited in the sales contract as an inducement to	83
a person to enter into a contract for the purchase or sale of	84
real estate or having offered real estate or the improvements on	85
real estate as a prize in a lottery or scheme of chance;	86
(15) Having acted in the dual capacity of real estate	87
broker and undisclosed principal, or real estate salesperson and	88
undisclosed principal, in any transaction;	89
(16) Having guaranteed, authorized, or permitted any	90
person to guarantee future profits which may result from the	91
resale of real property;	92
(17) Having advertised or placed a sign on any property	93
offering it for sale or for rent without the consent of the	94
owner or the owner's authorized agent;	95
(18) Having induced any party to a contract of sale or	96
lease to break such contract for the purpose of substituting in	97
lieu of it a new contract with another principal;	98
(19) Having negotiated the sale, exchange, or lease of any	99

real property directly with a seller, purchaser, lessor, or	100
tenant knowing that such seller, purchaser, lessor, or tenant is	101
represented by another broker under a written exclusive agency	102
agreement, exclusive right to sell or lease listing agreement,	103
or exclusive purchaser agency agreement with respect to such	104
property except as provided for in section 4735.75 of the	105
Revised Code;	106
(20) Having offered real property for sale or for lease	107
without the knowledge and consent of the owner or the owner's	108
authorized agent, or on any terms other than those authorized by	109
the owner or the owner's authorized agent;	110
(21) Having published advertising, whether printed, radio,	111
display, or of any other nature, which was misleading or	112
inaccurate in any material particular, or in any way having	113
misrepresented any properties, terms, values, policies, or	114
services of the business conducted;	115
(22) Having knowingly withheld from or inserted in any	116
statement of account or invoice any statement that made it	117
inaccurate in any material particular;	118
(23) Having published or circulated unjustified or	119
unwarranted threats of legal proceedings which tended to or had	120
the effect of harassing competitors or intimidating their	121
customers;	122
(24) Having failed to keep complete and accurate records	123
of all transactions for a period of three years from the date of	124
the transaction, such records to include copies of listing	125
forms, earnest money receipts, offers to purchase and	126
acceptances of them, records of receipts and disbursements of	127

all funds received by the licensee as broker and incident to the

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licensee's transactions as such, and records required pursuant
to divisions (C)(4) and (5) of section 4735.20 of the Revised
Code, and any other instruments or papers related to the
performance of any of the acts set forth in the definition of a
real estate broker;

- (25) Failure of a real estate broker or salesperson to furnish all parties involved in a real estate transaction true copies of all listings and other agreements to which they are a party, at the time each party signs them;
- (26) Failure to maintain at all times a special or trust bank account in a depository of a state or federally chartered institution located in this state. The account shall be noninterest-bearing, separate and distinct from any personal or other account of the broker, and, except as provided in division (A)(27) of this section, shall be used for the deposit and maintenance of all escrow funds, security deposits, and other moneys received by the broker in a fiduciary capacity. The name, account number, if any, and location of the depository wherein such special or trust account is maintained shall be submitted in writing to the superintendent. Checks drawn on such special or trust bank accounts are deemed to meet the conditions imposed by section 1349.21 of the Revised Code. Funds deposited in the trust or special account in connection with a purchase agreement shall be maintained in accordance with section 4735.24 of the Revised Code.
- (27) Failure to maintain at all times a special or trust

 bank account in a depository of a state or federally chartered

 institution in this state, to be used exclusively for the

 deposit and maintenance of all rents, security deposits, escrow

 funds, and other moneys received by the broker in a fiduciary

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capacity in the course of managing real property. This account	159
shall be separate and distinct from any other account maintained	160
by the broker. The name, account number, and location of the	161
depository shall be submitted in writing to the superintendent.	162
This account may earn interest, which shall be paid to the	163
property owners on a pro rata basis.	164
Division (A)(27) of this section does not apply to brokers	165
who are not engaged in the management of real property on behalf	166
of real property owners.	167
(28) Having failed to put definite expiration dates in all	168
written agency agreements to which the broker is a party;	169
(29) Having an unsatisfied final judgment or lien in any	170
court of record against the licensee arising out of the	171
licensee's conduct as a licensed broker or salesperson;	172
(30) Failing to render promptly upon demand a full and	173
complete statement of the expenditures by the broker or	174
salesperson of funds advanced by or on behalf of a party to a	175
real estate transaction to the broker or salesperson for the	176
purpose of performing duties as a licensee under this chapter in	177
conjunction with the real estate transaction;	178
(31) Failure within a reasonable time, after the receipt	179
of the commission by the broker, to render an accounting to and	180
pay a real estate salesperson the salesperson's earned share of	181
it;	182
(32) Performing any service for another constituting the	183
practice of law, as determined by any court of law;	184
(33) Having been adjudicated incompetent by a court, as	185
provided in section 5122.301 of the Revised Code. A license	186

revoked or suspended under this division shall be reactivated

upon proof to the commission of the removal of the disability.	188
(34) Having authorized or permitted a person to act as an	189
agent in the capacity of a real estate broker, or a real estate	190
salesperson, who was not then licensed as a real estate broker	191
or real estate salesperson under this chapter or who was not	192
then operating as an out-of-state commercial real estate broker	193
or salesperson under section 4735.022 of the Revised Code;	194
(35) Having knowingly inserted or participated in	195
inserting any materially inaccurate term in a document,	196
including naming a false consideration;	197
(36) Having failed to inform the licensee's client of the	198
existence of an offer or counteroffer or having failed to	199
present an offer or counteroffer in a timely manner, unless	200
otherwise instructed by the client, provided the instruction of	201
the client does not conflict with any state or federal law;	202
(37) Having failed to comply with section 4735.24 of the	203
Revised Code;	204
(38) Having acted as a broker without authority, impeded	205
the ability of a principal broker to perform any of the duties	206
described in section 4735.081 of the Revised Code, or impeded	207
the ability a management level licensee to perform the	208
licensee's duties;	209
(39) Entering into a right-to-list home sale agreement;	210
(40) Having failed to comply with section 5301.95 of the	211
Revised Code while acting as a wholesaler of residential real	212
property, as those terms are defined in that section.	213
(B) Whenever the commission, pursuant to section 4735.051	214
of the Revised Code, imposes disciplinary sanctions for any	215

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violation of this section, the commission also may impose such
sanctions upon the broker with whom the salesperson is
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affiliated if the commission finds that the broker had knowledge
of the salesperson's actions that violated this section.
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- (C) The commission shall, pursuant to section 4735.051 of 220 the Revised Code, impose disciplinary sanctions upon any foreign 221 real estate dealer or salesperson who, in that capacity or in 222 handling the dealer's or salesperson's own property, is found 223 quilty of any of the acts or omissions specified or comprehended 224 225 in division (A) of this section insofar as the acts or omissions pertain to foreign real estate. If the commission imposes such 226 sanctions upon a foreign real estate salesperson for a violation 227 of this section, the commission also may suspend or revoke the 228 license of the foreign real estate dealer with whom the 229 salesperson is affiliated if the commission finds that the 230 dealer had knowledge of the salesperson's actions that violated 2.31 this section. 232
- (D) The commission may suspend, in whole or in part, the imposition of the penalty of suspension of a license under this section.
- (E) A person licensed under this chapter who represents a 236 party to a transaction or a proposed transaction involving the 237 sale, purchase, exchange, lease, or management of real property 238 that is or will be used in the cultivation, processing, 239 dispensing, or testing of medical marijuana under Chapter 3796. 240 of the Revised Code, or who receives, holds, or disburses funds 241 from a real estate brokerage trust account in connection with 242 such a transaction, shall not be subject to disciplinary 243 sanctions under this chapter solely because the licensed person 244 engaged in activities permitted under this chapter and related 245

to activities under Chapter 3796. of the Revised Code.	246
Sec. 4735.24. (A) Except as otherwise provided in this	247
section, when earnest money connected to a real estate purchase	248
agreement is deposited in a real estate broker's trust or	249
special account, the broker shall maintain that money in the	250
account in accordance with the terms of the purchase agreement	251
until one of the following occurs:	252
(1) The transaction closes and the broker disburses the	253
earnest money to the closing or escrow agent or otherwise	254
disburses the money pursuant to the terms of the purchase	255
agreement.	256
(2) The parties provide the broker with separate written	257
instructions that both parties have signed that specify how the	258
broker is to disburse the earnest money and the broker acts	259
pursuant to those instructions.	260
(3) The broker receives a copy of a final court order that	261
specifies to whom the earnest money is to be awarded and the	262
broker acts pursuant to the court order.	263
(4) The transaction is canceled by the record owner of	264
residential property under division (C)(1) of section 5301.95 of	265
the Revised Code, and the broker disburses the earnest money to	266
the record owner pursuant to that division.	267
(5) The earnest money becomes unclaimed funds as defined	268
in division (M)(2) of section 169.02 of the Revised Code and,	269
after providing the notice that division (E) of section 169.03	270
of the Revised Code requires, the broker has reported the	271
unclaimed funds to the director of commerce pursuant to section	272
169.03 of the Revised Code and has remitted all of the earnest	273
money to the director.	274

(B) A purchase agreement may provide that in the event of	275
a dispute regarding the disbursement of the earnest money, the	276
broker will return the money to the purchaser without notice to	277
the parties unless, within two years from the date the earnest	278
money was deposited in the broker's trust or special account,	279
the broker has received one of the following:	280
(1) Written instructions signed by both parties specifying	281
how the money is to be disbursed;	282
(2) Written notice that a court action to resolve the	283
dispute has been filed.	284
(C)(1) If the parties dispute the disbursement of the	285
earnest money and the purchase agreement contains the provision	286
described in division (B) of this section, not later than the	287
first day of September following the two year anniversary date	288
of the deposit of the earnest money in the broker's account, the	289
broker shall return the earnest money to the purchaser unless	290
the parties provided the broker with written instructions or a	291
notice of a court action as described in division (B) of this	292
section.	293
(2) If the broker cannot locate the purchaser at the time	294
the disbursement is due, after providing the notice that	295
division (E) of section 169.03 of the Revised Code requires, the	296
broker shall report the earnest money as unclaimed funds to the	297
director of commerce pursuant to section 169.03 of the Revised	298
Code and remit all of the earnest money to the director.	299
Sec. 5301.95. (A) For the purposes of this section:	300
(1) "Residential real property" means real property that	301
is improved by a building or other structure that has one to	302
four dwelling units.	303

(2)(a) "Wholesaler" means a person or entity that for a	304
fee, commission, or other valuable consideration, or with the	305
intention, in the expectation, or upon the promise of receiving	306
or collecting a fee, commission, or other valuable	307
consideration, enters into a purchase contract for residential	308
<pre>real property either:</pre>	309
(i) As the grantee, and assigns or novates that contract	310
to another person or entity;	311
(ii) As the grantor, and, without holding legal title to	312
that real property, assigns or novates that contract to another	313
person or entity.	314
(b) "Wholesaler" does not include either of the following:	315
(i) An individual who assigns or novates a contract	316
described in division (A)(2)(a) of this section to another	317
individual who is related by blood.	318
(ii) A person or entity that assigns or novates such a	319
contract to a parent, affiliate, subsidiary, or affiliated group	320
under common control with the person or entity.	321
(B)(1) Before entering into a binding contract that	322
transfers an interest in residential real property, a wholesaler	323
acting as the grantee or the wholesaler's representative, if	324
applicable, shall provide to the record owner a conspicuous	325
written disclosure statement, separate from the purchase	326
contract or agreement, printed in boldface type in a font size	327
not less than twelve points, and in substantially the following	328
<pre>form:</pre>	329
"Ohio law requires a wholesaler acting as a grantee,	330
before entering into a contract or agreement that conveys an	331
interest in residential real property, to provide certain	332

(Wholesaler signature) (date)"	362
(Property owner signature) (date)	361
provided in this form by signing and dating below:	360
The owner acknowledges disclosure of the information	359
be below market value and is conveyed voluntarily.	358
The agreed purchase price between the owner and wholesaler may	357
may charge a fee to the third-party buyer separately for profit.	356
party without the owner's consent before closing. The wholesaler	355
the wholesaler's interest in the purchase contract to a third	354
wholesaler's interest for a profit. The wholesaler may assign	353
contracts with owners and seeks to sell or assign the	352
the owner in this transaction. A wholesaler enters assignable	351
is acting on the wholesaler's own behalf and does not represent	350
property, including an agreement with a wholesaler. A wholesaler	349
into any agreement or contract regarding the purchase or sale of	348
entitled to seek legal or professional advice before entering	347
Revised Code, and that all buyers and sellers of real estate are	346
document is a wholesaler, as defined by section 5301.95 of the	345
The owner acknowledges that the person presenting this	344
owner of the property.	343
property unless this statement is signed and dated by the record	342 343
a binding contract to acquire an interest in residential real	341
wholesaler acting as a grantee is prohibited from entering into	340
this disclosure has a cause of action against the wholesaler. A	339
property to a wholesaler acting as a grantee without receiving	338
an agreement that conveys an interest in residential real	337
unfair or deceptive act or practice. Any person who enters into	336
Failure by a wholesaler to present or complete this form is an	335
in boldface type in a font size not less than twelve points.	334
information to the record owner in a conspicuous manner printed	333
information to the magned orman in a conquisional manner spinted	222

(2) A wholesaler acting as the grantee shall not enter	363
into a binding contract that transfers an interest in	364
residential real property until both the wholesaler and the	365
record owner of the property sign and date the disclosure	366
statement required by this section.	367
(C)(1) If a wholesaler acting as the grantee fails to make	368
the disclosures required by this section before entering into a	369
binding contract that transfers an interest in residential real	370
property, the record owner of the residential real property may	371
cancel the contract at any time prior to the close of escrow	372
without penalty and the escrow or closing agent, as defined in	373
section 1349.20 of the Revised Code, shall disburse any earnest	374
money paid by the wholesaler to the record owner within thirty	375
days after such cancelation.	376
(2) No provision of this section shall be modified or	377
waived by any oral or written agreement. Any portion of an	378
agreement that is executed, modified, or extended after the	379
effective date of this section that modifies or waives a duty	380
under division (B) of this section or a remedy under division	381
(C) of this section is void ab initio and unenforceable.	382
(3) Any violation of this section is an unfair or	383
deceptive act or practice in violation of section 1345.02 of the	384
Revised Code. A party that enters into an agreement without	385
receiving the disclosures required in this section has a cause	386
of action against a wholesaler and is entitled to the same	387
relief available to a consumer under section 1345.09 of the	388
Revised Code. All powers and remedies available to the attorney	389
general to enforce sections 1345.01 to 1345.13 of the Revised	390
Code are available to the attorney general to enforce this	391
section.	392

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Section 2. That existing sections 4735.18 and 4735.24 of	393
the Revised Code are hereby repealed.	394