

MAINE STATE LEGISLATURE

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Yes ✓
✓
April 21, 1966

Leo M. Carignan, Executive Secretary

Real Estate Commission

Phillip M. Kilmister, Assistant

Attorney General

Signs of Real Estate Brokers

QUESTION:

What must a real estate broker place upon his sign in order to properly identify his status as a broker?

ANSWER:

See opinion.

OPINION:

In order to clearly indicate his status to the public we believe that a real estate broker should place the words "real estate broker" or words synonymous thereto upon his sign. The applicable provisions of 32 M.R.S.A. § 4117 read as follows:

"Every resident real estate broker shall maintain a fixed and definite place of business in this State, . . . and shall place and maintain a sign in a conspicuous place on the premises at or near the outside entrance to his principal office and all branch offices. The sign shall indicate that he is a real estate broker and his name shall be clearly shown thereon. . . ."

The terms "broker," and "real estate" standing alone do not sufficiently identify a person as being a duly licensed real estate broker.

A sign which contains a person's name followed by the words "real estate" clearly does not designate said person as a broker. Such a sign merely indicates to the public that the person named thereon has some connection with real estate transactions. The sign might be interpreted to mean that the person merely deals with realty in his own account, or perhaps as a salesman.

The word "broker" is a generic term and standing alone in no manner implies transactions in real estate. By definition, a broker is an agent employed to make bargains and contracts for compensation. The particular economic field in which a broker carries on business must be spelled out. As a matter of fact it is probably fair to state that the word broker, without further qualification, is probably erroneously thought of by most people to be a synonym for an agent who deals with securities.

Likewise it is certainly questionable whether or not the term "realtor" sufficiently describes a real estate broker. The word realtor is simply "a coined word used to designate an active member of a local real estate board affiliated with the National Association of Real Estate Boards." Real Estate, Semenov 2nd Ed. p. 11.

Although the term "realtor" may represent a meritorious badge among realty brokers and salesmen, it is doubtful whether the word indicates to the general public that a person designated as such is a real estate broker.

Nevertheless, the language of 32 M.R.S.A. § 4117 quoted above should not be construed too narrowly. In order to become a realtor, every person must be a real estate broker. The term "realtor" is thus inclusive of the words "real estate broker" and we believe sufficiently describes same within the meaning of 4117.

It should be re-emphasized that the statutory language quoted above does not mean that only the words "real estate broker" or "realtor" must be used to describe a broker. The statute simply requires that the sign indicate that a person is a real estate broker. Descriptive words synonymous with the term real estate broker will suffice.

Leo M. Carignan

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We conclude however that the terms "real estate," and "broker," without further qualification, do not meet the test of synonymity required by the statute.

Phillip M. Kilmister
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