

Sec. 08.88.351. Accounts; records of transactions.

(a) A real estate broker shall

(1) keep a complete record, for three years, of all real estate transactions in which the broker or employed licensees of the broker engaged;

(2) provide upon request to any principal in a transaction an accounting for all money or other property collected or held in the course of each transaction;

(3) keep a separate trust account in a bank into which the broker shall deposit all earnest money deposits, purchase money, security deposits, contingency funds, collected rental money, rental receipts, or other money collected in trust until it is appropriate for the broker to distribute the money to the proper persons;

(4) if authorized by the board of directors of a community association to collect, control, or disburse association funds, keep a separate account in a financial institution for the funds;

(5) make available to the commission, on request, account records and all other documents that the commission may require in order to conduct an investigation or to audit an account required under this section;

(6) if records are delivered to a partnership, corporation, or business entity other than another licensed broker upon termination of employment, ensure by contract the maintenance and availability of those records for a minimum of three years in accordance with this section.

(b) A real estate licensee

(1) shall keep, for a minimum of three years, a complete record of all real estate transactions in which the licensee was a principal;

(2) who maintains records concerning management or sale of the licensee's own properties or the licensee's client properties separate from the broker's file, shall retain those records for a minimum of three years;

(3) shall make available to the commission, on request, records and other documents that the commission may require to conduct an investigation;

(4) shall promptly deposit community association funds or proceeds from periodic community association assessments into either a community association reserve account or a community association operating account; if, at any time, the community association operating account contains more money than is estimated to be needed for budgeted expenditures for the subsequent three months, the licensee shall transfer the excess funds to the community association reserve account as soon as practicable;

(5) may not commingle funds of a community association with funds of another community association or with the licensee's funds.

(c) For the purposes of this section, the three-year requirement for records maintenance begins at the initiation of a transaction and continues, as applicable, until three years after the date

(1) a listing agreement ends;

(2) a sales transaction closes or otherwise ends;

(3) a management contract ends; or

(4) another contractual or fiduciary obligation ends.