



General Assembly

February Session, 2024

**Raised Bill No. 5461**

LCO No. 2378



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:  
(INS)

***AN ACT CONCERNING WHOLESALING RESIDENTIAL PROPERTIES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective January 1, 2025*) (a) For the purposes of this  
2 section:

3 (1) "Real estate wholesaler" means any person that enters into a  
4 wholesaler agreement with a seller of residential real property for the  
5 purpose of any sale, assignment or transfer of such wholesaler  
6 agreement to a third party; and

7 (2) "Wholesaler agreement" means any purchase and sale contract  
8 between a real estate wholesaler and a seller of residential real property  
9 that transfers a future interest in the purchase of such residential real  
10 property to a third party.

11 (b) On and after January 1, 2025, any real estate wholesaler, prior to  
12 entering into a wholesaler agreement with a seller of residential real  
13 property, shall disclose, in writing, to such seller of residential real  
14 property, that such real estate wholesaler:

15 (1) Intends to sell or assign such wholesaler agreement for a profit;

16 (2) Does not represent the seller of the residential real property or  
17 such seller's financial interest; and

18 (3) Intends to market the seller's residential real property for sale to  
19 prospective buyers or assignees of such residential real property.

20 (c) (1) On and after January 1, 2025, any seller of residential real  
21 property, prior to entering into a wholesaler agreement with a real estate  
22 wholesaler, shall provide to such real estate wholesaler a written  
23 residential condition report pursuant to the provisions set forth in  
24 section 20-327b of the general statutes, and comply with any federal  
25 reporting requirements, as applicable.

26 (2) Such real estate wholesaler shall provide to a prospective buyer or  
27 assignee of such wholesaler agreement any such residential condition  
28 report produced by the seller of such residential real property pursuant  
29 to subdivision (1) of this subsection.

30 (d) Any real estate wholesaler, before transferring such wholesaler's  
31 interest in a wholesaler agreement to a prospective buyer or assignee of  
32 such wholesaler agreement, shall disclose, in writing, to such  
33 prospective buyer or assignee, the following information:

34 (1) Such prospective buyer's or assignee's rights as set forth in the  
35 wholesaler agreement;

36 (2) Identification of such real estate wholesaler as a real estate  
37 wholesaler who holds a future interest in the purchase of such  
38 residential real property; and

39 (3) Notice that such real estate wholesaler may not be able to assign  
40 such wholesaler's future interest in such residential real property.

41 (e) (1) Notwithstanding the provisions of subdivision (2) of this  
42 subsection, if a real estate wholesaler violates any provision of this  
43 section, the seller of such residential real property may, at any time prior

44 to closing, terminate a wholesaler agreement, without penalty, and such  
45 seller shall retain any deposit paid to such seller by such real estate  
46 wholesaler in accordance with the terms of such wholesaler agreement.

47 (2) Any seller of residential real property who has attained the age of  
48 sixty-five years may, at any time prior to closing and without cause,  
49 terminate a wholesaler agreement, without penalty, by providing  
50 written notice to the real estate wholesaler and returning any deposit  
51 paid by such real estate wholesaler in accordance with the terms of such  
52 wholesaler agreement.

53 (f) Any wholesaler agreement between a seller and a real estate  
54 wholesaler shall be valid for a period not to exceed six months from the  
55 date of execution of such wholesaler agreement.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2025</i>	New section

**Statement of Purpose:**

To regulate wholesaling agreements between real estate wholesalers and sellers of residential real property in this state.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*