



## FILING A COMPLAINT AGAINST A COLORADO REAL ESTATE BROKER

### The Division's Authority

1. The Division of Real Estate investigates complaints in order to determine whether or not a licensed real estate broker has violated real estate license law or rules.
2. If the Division can prove by sufficient evidence that a specific law or rule has been broken, an investigative report is completed and the case is forwarded to the Real Estate Commission for review. The Real Estate Commission then considers the completed investigative report at a regularly scheduled public meeting, at which time the Commission determines what action should be taken, if any. The review by the Commission is usually performed in a public meeting, but it is not a hearing or trial. No statements or testimony by the complainants or licensees are taken at that time.
3. The Real Estate Commission has the authority to discipline a licensee for violating a law or rule. The discipline or other action that the Commission may take includes public censure, suspension, probation, revocation, and fines. In certain kinds of cases, the Commission may also admonish the licensee or impose non-disciplinary remedial alternatives through its diversion program.

### **The Division Does Not Have Authority Over Complaints Related to:**

1. Regulation of New-Home Builders
2. Regulation of Home Inspectors
3. Regulation of Mortgage Lenders
4. Regulation of Homeowner Associations
5. Regulation of Home Warranty Companies
6. Disputes between a Landlord and Tenant
7. Deciding whether a contract is enforceable or legally binding, or whether it may be valid
8. Deciding which party has defaulted or is entitled to the earnest money deposit when a contract or agreement falls through
9. Ethical or moral issues

### **NOTE: THE DIVISION OF REAL ESTATE DOES NOT HAVE THE AUTHORITY TO ENTER CIVIL JUDGMENTS FOR DAMAGES.**

If you believe that it is appropriate to file a civil court suit for damages, you should pursue that remedy without waiting for your complaint with the Division to be resolved. The Real Estate Commission cannot enter judgments or provide other kinds of relief that a civil court can order.

## What Happens After the Division Receives a Written Complaint?

1. After review by the assigned investigator, an initial determination is made as to whether or not:
  - a. **A law or rule been violated.** The Division must determine that the basis of the complaint or allegation relates to a violation of the real estate license law, including the state statutes or rules adopted by the Colorado Real Estate Commission. The real estate license law statutes and rules establish what a broker must do and what a broker must not do. The Division only has authority over violations of the Colorado real estate license law and rules.
  - b. **The Division has the legal authority** to take action. The Division must determine that the people and/or businesses that are the subject of the complaint fall under the Division's jurisdiction. The Division only has "jurisdiction" (authority to act) over people and businesses that are licensed, or in certain cases, that should be licensed but are not.
  - c. **The Division can prove** that the licensee violated a real estate statute or rule. The Division must be able to discover and prove facts that are sufficient for the Division to prove in a formal evidentiary hearing that the licensee violated one or more real estate laws or Commission Rules.
2. Based upon these determinations, the decision is made to either:
  - a. Investigate and present the case to the Real Estate Commission for a decision.
  - b. Close the file without action because of lack of jurisdiction.
  - c. Close the file without action because the investigation established that no license law violation occurred.
  - d. Close the file because insufficient proof exists to establish a license law violation.
3. You will be notified which Division investigator has been assigned to the case, the disposition of the case and related information on the investigative and hearing process.
4. Each licensee named in the complaint is sent a copy of the complaint and is required by the license law to provide a written response to the Real Estate Commission. They must also attach copies of documents that support their statements. If additional documents or statements are needed from the broker, the Division investigator will request or subpoena them.

**Please Note:** A complaint against a real estate licensee triggers events and processes that are similar to other legal proceedings and civil prosecutions. There are legal rights and due process procedures that must be afforded to the accused licensee. Administrative sanctions and prosecution are not pursued unless warranted by a preponderance of evidence. The investigative and legal (due) process is time consuming, but the Commission strives to process complaint matters as quickly as possible. Generally, the entire process, including a formal hearing, can take up to one year.

### **Alternative Resolution: Other Ways to Address the Problem**

The first step in resolving complaints is communication. The Division encourages you to talk to the licensee and to the licensee's employing broker. By talking with the licensee, the employing broker or the owner of the brokerage firm before filing a complaint you may be able to resolve the matter more quickly. The issue can very often be resolved when the parties discuss their respective viewpoints.

If the person involved is a real estate licensee, you may also wish to contact the Colorado Association of Realtors ("CAR"). Approximately half of the real estate brokers in Colorado are members of an Association of Realtors. These members subscribe to a "Code of Ethics," a different standard of conduct than that imposed by the Colorado real estate license law. CAR proceedings are separate and distinct from the Division's complaint, investigation and hearing processes. CAR and other trade organizations also refer complaints to the Division if they believe the license laws have been violated.

Mediation is an inexpensive alternative to filing a civil lawsuit. Mediation services are available in most communities in Colorado and may allow resolutions not otherwise available. Mediation provides an opportunity to find a solution that satisfies parties, rather than one party "winning" and the other "losing." There are numerous providers of mediation and arbitration services for a relatively small fee. Contact the Division of Real Estate, Association of Realtors, or see "Mediation Services" listed in your telephone directory.



**COLORADO DIVISION OF REAL ESTATE  
COLORADO REAL ESTATE COMMISSION**

**COMPLAINT FORM # REC-04/06**

**Before Completing and Sending This Complaint Form, Please Read the information on:  
“FILING A COMPLAINT AGAINST A COLORADO REAL ESTATE BROKER”.**

**INTRODUCTION**

The Colorado Division of Real Estate and Real Estate Commission are responsible for the enforcement of Title 12 Article 61 Part 101 et. seq. Colorado Revised Statutes (C.R.S.). That includes the responsibility to investigate complaints from individuals who believe that a licensee has violated the statutes and/or the rules promulgated by the Colorado Real Estate Commission contained in the Colorado code of Regulations (C.C.R.). Section 12-61-113 C.R.S requires that complaints be in writing. The complaint must allege conduct by a real estate licensee that violates the real estate license law. By completing this form, signing it and submitting it to the Division of Real Estate, you may trigger the investigative process. Filing this complaint form does not stop you from pursuing mediation or civil action against a real estate professional who may have damaged you financially. If you believe that such action is appropriate, you should do so independently of any action that the Division of Real Estate Commission may take. You may also file a complaint with the Colorado Association of Realtors®. (303) 790-7099. Approximately half of all real estate brokers in Colorado are members of an Association of Realtors®. These members subscribe to a "Code of Ethics", which may impose a different standard of professional conduct than that imposed by the real estate license law. That trade association conducts its own hearings on ethics complaints registered against their members.

**GENERAL COMPLAINT INFORMATION:**

Please provide all requested information (if known) in the spaces provided. Please type or write LEGIBLY. Please **do not** write “see attached.”

\* Required Information

**1. Broker Against Whom Complaint is Made ([Search Database for Information on Licensees](#)):**

<b>Name of Licensee:</b> Mr. Ms.				
*First Name: _____ Middle Initial: ____ *Last Name: _____				
Business Address: _____				
(Number and Street)	(Apt, Suite, Unit)	(City)	(State)	(Zip Code) 0000
License Number: _____				
Office Phone: (____) _____ Ext: _____				
Cell Phone: (____) _____ E-mail address: _____				
Name of Company: _____				
Name of Employing or Supervising Licensee: _____				

**2. Other Broker Against Whom Complaint is Made (if any):**

<b>Name of Licensee:</b> Mr. Ms. First Name: _____ Middle Initial: ____ Last Name: _____
Business Address: _____ <small>(Number and Street) (Apt, Suite, Unit) (City) (State) (Zip Code) 00000</small>
License Number: _____
Office Phone: (____) _____ Ext: _____
Cell Phone: (____) _____ E-mail address: _____
Name of Company: _____
Name of Employing or Supervising Licensee: _____

**3. Information About You (Complainant):**

Your Name: Mr. Ms. *First Name: _____ Middle Initial: ____ *Last Name: _____
*Mailing Address: _____ <small>(Number and Street) (Apt, Suite, Unit) (City) (State) (Zip Code) 00000</small>
*Home Phone: (____) _____ Work Phone: (____) _____ Ext: _____
Cell Phone: (____) _____ E-mail address: _____

**DETAILS ABOUT YOUR COMPLAINT**

You must include with this complaint form a **separate written narrative explanation** of the details surrounding your complaint. Please Address the Following Issues:

1. Explain what happened. Be as specific and detailed as possible.
2. List events in chronological order.
3. Were documents signed? If so, attach a copy of all such the documents and describe the circumstances under which they were signed.
4. Was a false promise or misrepresentation made? If so, describe the actual statement that was made. Was the communication written or verbal? Were these statements made by telephone? Mail? Fax? E-mail? In person? Where was the statement made? At your home? A real estate office? At a title company office? While you were viewing the property? Who was present when the representation or promise was made?
5. Explain where the acts or conversations took place.
6. Explain when the acts or conversations occurred. If you cannot remember the exact time and date, try to remember whether it was near some special event or day. Be as specific as you can.
7. If your narrative refers in any way to persons other than the broker you are complaining about, identify them, how they were involved and include their full name, address and telephone number, if known. Be sure to identify all of the people who took part in a conversation, saw the conduct or could be an important witness.

## DOCUMENTATION OF YOUR COMPLAINT

**YOU MUST PROVIDE** a legible and complete copy of all supporting document(s) as attachments. This includes listing agreements, contracts, contract amendments, cancelled checks, receipts, title documents, letters, e-mails, etc.

**IF YOU DO NOT PROVIDE SUFFICIENT INFORMATION, COMPLAINT PROCESSING MAY BE DELAYED OR WE MAY NOT BE ABLE TO INVESTIGATE YOUR COMPLAINT.**

NOTE: 12-61-113 (5) C.R.S. states: "...Complaints of record in the office of the Commission and the results of staff investigations may, in the discretion of the commission, be closed to public inspection, except as provided by court order, during the investigatory period and until dismissed or until notice of hearing and charges are served on a licensee." However, under some circumstances, the written materials you provide may be released during the investigation stage to the broker, their attorney, your attorney, or to other investigative agencies. At some point, the materials you provide will become a public record.

### GENERAL QUESTIONS:

If you are currently represented by an attorney in this matter, provide the following (as applicable):

Name: Mr. Ms.  
First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_ Last Name: \_\_\_\_\_  
Law Firm Name: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
(Number and Street)                      (Apt, Suite, Unit)                      (City)                      (State)                      (Zip Code)  
00000  
Office Phone: (\_\_\_\_) \_\_\_\_\_ Ext: \_\_\_\_\_  
Other phone: (\_\_\_\_) \_\_\_\_\_ E-mail address: \_\_\_\_\_

1. Have you filed a lawsuit related to this complaint? Yes No If yes, attach a copy of the complaint.
2. Has any lawsuit relating to this complaint been dismissed? Yes No If yes, attach a copy of all pertinent court documents including the final court order dismissing or otherwise adjudicating the case.
3. Do you have a valid judgment against the person named in this complaint? Yes No If yes, attach a copy of the pertinent court documents including the final judgment.
4. Have you participated in mediation, arbitration or a settlement agreement in your civil case? Yes No If yes, explain what happened and attach the written arbitration findings, settlement agreement or other relevant documents.

**By checking this box (required):  and submitting this form to the Division of Real Estate, I certify that I have read the information titled "Filing a Complaint against a Real Estate Broker" and affirm that the statements and information supplied by me are true and accurate to the best of my knowledge.**

\_\_\_\_\_  
Your Signature (if printed and mailed) Date: \_\_\_\_\_  
MM/DD/YYYY

### **NEXT STEP: Submit Your Complaint Form and the Required Documents**

Mail, Fax, or E-mail this Completed Form and Attachments to: **Division of Real Estate  
Enforcement Unit  
1560 Broadway, Suite 925,  
Denver, CO 80202  
Fax: 303-894-2683**

Persons needing reasonable accommodation under the Americans with Disabilities Act should contact the Division of Real Estate at 303-894-2166.