

MEMORANDUM

To: Kentucky Real Estate Authority Licensees
From: Jacob Walbourn, Acting General Counsel, KREA
Date: March 26, 2020
Re: COVID-19 and Executive Order 2020-257

On March 25, 2020, Governor Beshear issued Executive Order 2020-257 (“the EO”), requiring the closure of all businesses that are not “life sustaining” to in-person traffic. The purpose of this memorandum is to provide answers to frequently asked questions regarding this Executive Order for those licensees holding licenses from the Kentucky Real Estate Authority (Realtors, Auctioneers, Home Inspectors, and Appraisers).

Am I allowed to keep working?

Yes. Real estate has been designated a “life sustaining” business in the EO. *See EO 2020-257(1)(o).*

So it is just business as usual?

No. All professional services, including real estate, must implement teleworking and remote work to the fullest extent possible. *See EO 2020-257(1)(o).* Also, all businesses that continue to operate must implement social distancing and hygiene measures, including: 1) implementation of social distancing measures keeping people at least six (6) feet apart; 2) ensuring access to handwashing stations or providing hand sanitizer for employees and members of the public; 3) regularly cleaning and disinfecting frequently touched objects; 4) allowing employees to work from home whenever feasible; and 5) identifying sick employees and requiring them to leave the premises. *See EO 2020-257(3).*

Are there exceptions to the Executive Order, or can the KREA Boards override the Executive Order?

No. There are not exceptions to the Executive Order. Boards may provide guidance regarding compliance with the Executive Order, but may not alter any of its terms.

I’m an Auctioneer. Can I still have auctions?

No, except in limited circumstances. Mass gatherings are banned by the March 19, 2020 Order of the Cabinet for Health and Family Services. Crowds are in many cases prohibited, and are certainly discouraged. Live auctions should not proceed at this time, except that livestock auctions **are** permitted to continue (due to their importance in the food chain) as long as social distancing measures are implemented, and real property auctions **are** permitted in accord with EO 2020-257 as long as social distancing measures are implemented. Online auctions are permissible, provided that drop-off and pick-up of goods or delivery of goods are carried out in accord with social distancing practices.

I'm a Home Inspector. Can I still conduct inspections?

Yes. However, social distancing measures must be implemented. Anyone feeling ill must absolutely **not** conduct an inspections.

I'm an Appraiser. May I continue operations?

Yes. Appraisals may continue under the terms of the EO. However, as above, social distancing measures must be implemented and anyone feeling ill must absolutely **not** be conducting appraisals.

I'm a Realtor. May I continue operations?

Yes, generally. Real estate agents may continue to perform tasks related to their professions; however, some standard practices may need to change. For instance, open houses must be suspended as these tend to draw crowds and in most cases social distancing is infeasible. House showings, however, may continue provided that social distancing is implemented. If you are able to complete the task while implementing social distancing, it is permitted to continue. If you cannot effectively implement social distancing, or you are feeling ill, you must **not** perform the task.

I'm a Realtor. Do I still have to renew my license?

Yes. The KREC has voted to extend all continuing education deadlines for the duration of the State of Emergency plus 30 days. Further, nothing that requires in-person contact is required to be done. However, any task that can be done remotely and/or via computer should still be completed. The real estate license process has been underway for five (5) weeks and is an online process through the licensee's online services portal, available on the KREC website at krec.ky.gov. Your errors and omissions insurance policy must also be renewed prior to attempting to renew your license. In 2020, the renewal process became a biennial renewal, which has increased fees to \$120 for inactive status and \$130 for active status. Renewals will not be due again until 2022.

Is my office permitted to stay open?

No, generally. The only time it is permitted to open an office is if the task cannot be completed remotely or over the phone. Offices should be closed to walk-in traffic. However, this should not be construed to prohibit working in the office when absolutely necessary, and when the task cannot be performed remotely. However, the requirements of the EOs listed above will still apply in these instances; that is, social distancing, regular cleaning and disinfecting, etc. when employees are in the office.

Will transactions still be closing?

Generally, yes. Real estate closings are not prohibited by the EO. All closing tasks that can be done remotely should be done remotely, and any in-person requirements must implement social distancing. Only the parties that absolutely **must** be at a closing should attend.

I've heard that my County Clerk's office is closed and documents can't be recorded or title searches can't be completed. Can KREA help?

No. County Clerks are independently elected officials and not under the jurisdiction of the KREA.

Is it true this EO expires in ten days?

No. The Order is valid until rescinded or until the State of Emergency is lifted. To the extent possible, we will provide updates. Please be aware that further orders may be issued which may impact the guidance provided herein. If new orders are issued, we will update this guidance as soon as practicable.

I have a question not answered here. Can I still ask it?

Yes. However, please be advised that the KREA's staff is largely working remotely. Our response to you may be delayed. We will respond as soon as possible. Be advised, however, that KREA staff is not permitted to provide exceptions to the EO or any other Order, and will only be able to answer questions.

Do you have any other general advice?

Yes. You should follow all Orders and guidance issued by state and local governments. Do your part in addressing this global health pandemic by following best practices. Don't be around people unless you absolutely must, and in all cases practicing social distancing. Also, be sure to:

1. Stay home if you are sick. Follow the "When to Seek Care" advice contained on the Team Kentucky COVID-19 website, available at kycovid19.ky.gov.
2. If you are in a high risk group, including having a serious underlying health condition, stay home and stay away from other people.
3. If someone in your household or someone you have been in close contact with tests positive for COVID-19, avoid contact with other people. Please also consult the Team Kentucky COVID-19 website for additional guidance, at kycovid19.ky.gov.
4. Regularly review any guidance issued by the Centers for Disease Control or the Kentucky Cabinet for Health and Family Services. Be alert for changes to the existing Orders.

We hope you are all staying healthy and safe. We look forward to continuing to work with you.