



To: All Pennsylvania Policy Issuing Agents of WFG National Title Insurance Company
From: WFG Underwriting Department
Date: July 12, 2024
Bulletin No.: PA 2024-06
Subject: Amendments to the Real Estate Licensing and Registration Act Regarding Wholesale Transactions

On July 8, 2024, Governor Shapiro signed Act 52 of 2024 (“the Act”), to be effective in 180 days. The full text of the Act can be found [here](#). While the Act does not directly impact real property titles, it will be of interest to consumers and real estate professionals, especially those engaged in wholesale transactions.

The Act adds “any person who, whether for the person or for another, engages or attempts to engage in a wholesale transaction” to the definition of “Broker” under the existing Real Estate Licensing and Registration Act. The Act defines “wholesale transaction” as

“undertaking to promote the sale, exchange or purchase of an equitable interest or other interest in residential real property with the intent to assign, sell or otherwise transfer the interest for a fee, commission or other valuable monetary consideration without having taken title as the owner of record of the interest.”

Among other things, the Act provides consumers with an unwaivable a right to cancel sales agreements for wholesale transactions, and provides for required information in sales agreements for a wholesale transaction. As these matters are outside the scope of title insurance and your agency agreement, questions concerning the application of this Act should be referred to legal counsel.

Remember, when being asked to insure a transfer involving a wholesale, assignment, or “flip” transaction, whether or not it falls under this new Act, you should confirm all parties involved (including the title holder, assignee buyer, and any lenders) are aware of the details of the transaction, including any assignments of the sales contract and the payment of any fees or commissions. For additional guidance, please see [Bulletin NB 2020-15 – Assignments of Sales Contracts Prior to Closing](#).

Information Bulletins are designed to provide our agents with information we think will help in managing their business or just being better title professionals, but which does not rise to the level of being an underwriting mandate and are not within the scope of the agency agreement.