



# CALIFORNIA AB-1345

**California Assembly Bill 1345 (AB-1345)**, known as the Residential Exclusive Listing Agreements Act, was signed into law by Governor Gavin Newsom on October 8, 2023, and became **effective on January 1, 2024**. This legislation was enacted to address concerns over predatory real estate practices that involved homeowners being misled into long-term exclusive listing agreements, which unfairly encumbered their property titles and diminished their home equity.

Under **AB-1345**, exclusive listing agreements for single-family residential properties are **prohibited from exceeding a duration of 24 months**. Additionally, any renewal of such agreements must be in writing, signed by all parties, and cannot extend beyond 12 months from the renewal date. The law also bans automatic renewals of exclusive listing agreements to prevent homeowners from being unknowingly bound to extended contracts.

The legislation makes it **unlawful to record or file exclusive listing agreements**, or any related memoranda or notices, with county recorders. Any attempt to enforce an agreement made or recorded in violation of these provisions is deemed void and unenforceable. Homeowners who have entered into such agreements retain the right to keep any consideration received under these voided contracts.

**Violations of AB-1345** constitute a breach under the Consumers Legal Remedies Act, and licensed individuals who contravene its provisions are considered to have violated their respective licensing laws. This legislative action reflects California's commitment to protecting homeowners from exploitative real estate practices and ensuring fair and transparent transactions in the housing market.

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