

Background

Real estate brokerage is regulated by the State of Michigan under the Occupational Code, P.A. 299 of 1980, as amended. Licensure is mandatory to perform certain acts defined in the Code. The Code further identifies the education, examination and experience required of individuals who are providing service to Michigan citizens as real estate brokers.

License Types

Individuals may be licensed as Individual Brokers or Associate Brokers. The title **Individual Broker** identifies practice as an individual proprietorship. The individual may register an assumed name with the appropriate county clerk. A copy of the assumed name certificate must accompany the license application when filed (e.g., John Doe d/b/a Doe Realty).

An **Associate Broker** is an individual licensed to another broker entity (e.g., John Doe, associate broker to Franchise Realty, Inc. Or if it is John's corporation, Joe Doe, Associate Broker licensed to John Doe Realty, Inc.). Later in this guide, instructions will be given on how to apply for license types that require a principal Associate Broker licensed to the entity: e.g., partnership, corporation and limited liability company.

When to Apply

Applicants must meet all requirements for licensure before they submit an application.

Candidates will receive a license application with their passing exam scores. Failing candidates will receive information on reexamination. If you have passed the examination, do not submit the license application until and unless you meet the education and experience requirements and have the required documentation to enclose with the application.

Experience

A minimum of three years experience in real estate is required. Experience may be earned in the following manner. Forms required for reporting earned experience are listed.

- ▶ **Licensed Salesperson**
One year of credit is granted when a minimum of 6 sales has been conducted in a 12-month period. Verification of Real Estate Experience form (BCS/LRE-011). This form is completed by your current and/or previous employer broker(s) in this or other states. It verifies activity while licensed. *Attach your salesperson wall license to the application. You may continue to do business by carrying your pocket card.*
- ▶ **Licensed builder, land developer, or property manager**
Verification of Relevant Related Experience for Broker Applicants form (BCS/LRE-031 and BCS/LRE-032).
- ▶ **Related field, e.g., loan or trust officer of a bank, mortgage company or title company**
Submit letter from employer verifying position held, level of responsibility, inclusive dates, etc.
- ▶ **Attorney**
Broker Licensure Requirements for Attorneys-at-Law and Instructions for Application form (BCS/LRE-033).
- ▶ **Appraiser**
Verification of Appraisal Experience form (BCS/LRE-030).

Education

90 clock hours of approved broker level education are required.

- ▶ Hours must be in addition to those that were required to obtain a salesperson license.
- ▶ All courses must have been completed within 36 months prior to license application unless applicant has been continuously licensed as a real estate salesperson from the time the education was completed to present.
- ▶ Nine (9) of the 90 hours must be in civil rights and equal opportunity in housing instruction.
- ▶ At least 30 of the 90 hours must be a broker preparation or broker basic class.
- ▶ Certain college courses may apply. Lists of approved courses (including college courses) and schools are available from the Department.

Education Verification to attach to your application:

- ▶ **Broker preparation (broker basic) class – 30 Hours**
attach a copy of course completion certificate.
- ▶ **60 hours of additional approved broker courses**
attach copies of course completion certificates.
- ▶ **Law Degree (60 of the 90 hours and 6 hours of civil rights and fair housing)**
attach copy of diploma or college transcript.
- ▶ **College Courses**
attach transcript showing which course(s) are being submitted.

Additional Attachments

- ▶ **Letter of Good Standing**
This is a verification from other states in which you previously held or currently hold a real estate license. Contact that state's licensing agency to request a letter certifying that your license is in good standing and there is no outstanding disciplinary action pending against you.
- ▶ **Consent to Service of Process Form**
Form BCS/LCL-900 must be submitted if you are living outside the state. Remember, brokers must maintain a place of business/office in Michigan, but you may physically reside outside Michigan borders.

About the License Application Form

The Individual Broker and Associate Broker applications are on one form.

Application for Associate Broker: If you are applying for an Associate Broker license, this means you will be affiliated with another broker (e.g., the employing broker is a corporation/franchise company and you will be an Associate Broker to that company). Fill out those sections which apply on the right side of the form.

Application for Individual Broker (sole proprietorship): If you are applying for an Individual Broker license, complete only those sections which apply to an Individual Broker license on the left side of the form. Attach any required documentation (e.g., d/b/a Certificate).

Application for Broker and Associate Broker: Should you wish to apply for both licenses at the same time, complete both the left and right sides of the form and return it with the \$76.00 fee and documentation.

Application for Additional Broker or Associate Broker: If you currently hold an individual or associate broker license, simply fill out the appropriate spaces on the application, e.g., licensee information, broker signatures, and return it to the Department with the \$38.00 fee.

Application for Corporation, Partnership or L.L.C.: To form your own corporation, or other entity, and license it as a broker, complete the appropriate application in addition to an Associate Broker application and return them with the appropriate fees and documentation.

Questions and Answers

Q. *How many broker or associate broker licenses can I hold?*

A: At any one time you may hold one individual broker license, one non-principal associate broker license, and as many principal associate broker licenses for which you are an officer, partner or member of the broker-licensed entity.

Q. *What about escrowed licenses or referral companies?*

A. Administrative rules to eliminate escrow licenses were effective in 1991. Now, an individual is either licensed or unlicensed. If licensed to a referral/holding company, he/she is considered to be actively licensed; and therefore, must meet all renewal requirements; renewal fee and six hours of continuing education. This is an option for licensees who do not wish to be actively listing and selling.

Q. *Can the Department provide me with names of referral companies?*

A. The Department makes no distinction between the type of real estate services a broker provides, e.g., commercial, property management. Therefore, licensing records available from the Department would not contain this information.

Q. *Can associate brokers transfer?*

A. Associate broker licenses are transferable if you are not an officer or partner (principal) with the company you're leaving or the company to which you are transferring. Obtain the dated signatures of both your former and new broker on the back of your pocket card. Complete an associate broker application and submit it to the Department with \$38.00, along with your wall license.

Q. *Can a salesperson hold a corporate office in a corporation he owns which is applying for a broker license?*

A. No. A salesperson may hold stock in the company, or be a director but only an associate broker may be named as an officer, partner, or member to a broker entity. If a salesperson owns the company, an associate broker must be employed as the principal.

Q. *I've been convicted of a felony. Will this prevent me from receiving a broker license?*

A. The only conviction specified in the statute for which a license may not be issued is embezzlement. All other convictions are reviewed based on whether the offense is related to the practice of real estate and whether it could impact the applicant's ability to practice in a fair, honest and open manner. A license denied by the department may be appealed to the Board of Real Estate Brokers and Salespersons.

Q. *Who should I call to schedule my exam?*

A. The [Candidate Handbook](#), printed and distributed by Applied Measurement Professional, Inc. (AMP), provides all exam information. Contact them at 1-800-345-6559. You can register on-line at www.goAMP.com.

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The Department of Consumer & Industry Services will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, disability or political beliefs. If you need assistance with reading, writing, hearing, etc., under the Americans with Disabilities Act, you may make your needs known to this agency.

Your Real Estate Broker License Application

An Applicant's Guide

Michigan Department of
Consumer & Industry Services
Bureau of Commercial Services
P.O. Box 30243
Lansing, MI 48909

Board of Real Estate
Brokers and Salespersons
(517) 241-9233
www.cis.state.mi.us/bcs/re



"Serving Michigan...Serving You"