


State of California
Department of Real Estate



INSTRUCTIONS TO LICENSE APPLICANTS

How to Obtain and Maintain
a California Real Estate License,
a Prepaid Rental Listing Service
License, and a Mortgage Loan
Originator License Endorsement



FOR
SALE



Real Estate MATTERS!

January 2012

IMPORTANT NOTE: The exam format (See page 37, "B. Examination Content") has changed since the Instructions to License Applicants booklet was published in January 2012. Please refer to [Salesperson Examination Content](#) and [Broker Examination Content](#) for current information.

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This publication was revised in 2012. Subsequent legislation may cause some of the information it contains to become out-of-date. The most current version of *Instructions to License Applicants* is always available on the DRE Web site www.dre.ca.gov and may also be obtained from:

Department of Real Estate
P.O. Box 187000
Sacramento, CA 95818-7000

PREFACE

This publication provides instructions for obtaining a real estate license, a prepaid rental listing service license, a mortgage loan originator license endorsement, instructions for renewing existing licenses and license endorsements, and other important information. Be sure to carefully read the instructions and information applicable to you.

Additional information, forms, publications, and other items of interest to “examinees” (license applicants) and licensees are available on the Department of Real Estate (DRE) Web site www.dre.ca.gov.



You may use the secure, easy to use, paperless, interactive *eLicensing* online system available at www.dre.ca.gov for *expedited processing* of licensing and examination services.

Real Estate Law, Regulations of the Real Estate Commissioner and the Reference Book - A Real Estate Guide are also available online at www.dre.ca.gov.

Pursuant to Section 10207 of the Business and Professions (B&P) Code: The amount of the real estate fees prescribed for an examination or for a license under this chapter is that fixed by the following provisions of this article. **No part of any fee paid in accordance with the provisions of this chapter is refundable.** It is deemed earned by the Department upon its receipt.

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SECTION I – REAL ESTATE SALESPERSON LICENSE

A. Who Must Obtain this License

This license is required of individuals who are to be employed as salespersons under the supervision of a licensed broker. A license may also be obtained by a person who does not immediately intend to be employed by a broker. However, a salesperson without an employing broker may not perform acts requiring a license. The license authorizes real estate activity only if the salesperson is in the employ of a licensed broker. Information on what constitutes licensed real estate activity can be found in the *Real Estate Law* (see Section XIII).

B. Minimum Requirements to Apply for the Salesperson Examination and License

To obtain a real estate salesperson license, you must first qualify for and pass a written examination. Those who pass the examination are provided a license application which must be submitted to and approved by the DRE.

Note: Individuals may also apply and pay for their real estate examination and license at the same time by submitting a *Combination Salesperson Exam/License Application* (RE 435). See Section J for further details.

- 1. Age** — You must be 18 years of age or older to be issued a license.
- 2. Residence** — Proof of legal presence in the United States is required (see Section XIV (B) – Proof of Legal Presence). If you do not reside in California, see Section X – Out-of-State Applicants.
- 3. Honesty** — Applicants must be honest and truthful. Conviction of a crime may result in the denial of a license. Failure to disclose **any** criminal violation or disciplinary action in an applicant's **entire history** may also result in denial of a license. See Section XIV (I) – Help Avoid Denial of Your License Application for further information.
- 4. Education** — Successful completion of the following college-level courses is required to

become a real estate salesperson:

- a. **Real Estate Principles** and
- b. **Real Estate Practice** and
- c. **One course from the following list:**
 - Real Estate Appraisal
 - Property Management
 - Real Estate Finance
 - Real Estate Economics
 - Legal Aspects of Real Estate
 - Real Estate Office Administration
 - General Accounting
 - Business Law
 - Escrows
 - Mortgage Loan Brokering and Lending
 - Computer Applications in Real Estate
 - Common Interest Developments

Note: Members of the California State Bar are statutorily exempt from the college-level course requirements. Evidence of admission to practice Law in California must be furnished, such as photocopy of both sides of a California State Bar membership card.

Members of any other State Bar as well as individuals holding an LL.B or J.D. degree who are not members of any State Bar, including CA, may generally qualify on the basis of education. These applicants are required to submit evidence of a LL.B. or J.D. degree from a college or university accredited by the Western Association of Schools and Colleges (or comparable regional accrediting agency recognized by the United States Department of Education) for evaluation.

Courses must consist of three semester-units or four quarter-units at the college level. Courses must be completed at an institution of higher learning accredited by the Western Association of Schools and Colleges or by a comparable regional accrediting agency recognized by the United States Department of Education, or by a private real estate school which has had its courses approved by the California Real Estate Commissioner. See Section XII– Availability of Required Courses.

Courses completed through foreign institutions of higher learning **must** be evaluated by a foreign

credentials evaluation service approved by the Department of Real Estate. See *Examination Applicant Foreign Education Information* (RE 223) available on the DRE Web site.

Continuing education offerings do not satisfy the college-level course requirements for the salesperson examination.

Copies of official transcripts are generally acceptable evidence of completed courses. Transcripts of equivalent courses submitted as potential equivalent course of study in lieu of the statutory courses listed above must be accompanied by an official course or catalog description in order to be evaluated for equivalency.

If you intend to request a review for acceptance of a course that is titled differently from the list of required courses, a copy of your official transcript should be submitted with your examination application and a copy of the course syllabus or a copy of the college's catalog description (from the year of attendance for the course).

5. Experience — None required.

C. How To Apply for the Salesperson Examination

Note: Initial examination scheduling cannot occur until your application has been approved by the DRE. To apply for the exam, you must submit EITHER:

- A *Salesperson Exam/License Application* (RE 435). Individuals may apply and pay for the real estate examination and license at the same time by submitting one application form, the *Salesperson Exam/License Application* (RE 435), and both the exam and license fee. Be sure to read all instructions and information before completing the application. Your social security number must be included to ensure fingerprint results are received by the DRE.

OR:

- An original *Salesperson Examination Application* (RE 400A). Be sure to read all instructions and information **before** completing the application. Your social security number **must** be included if you wish

to use *eLicensing* services.

No changes of any kind will be made to an application once it has been received by the DRE.

You may not apply to take an examination for a license for which you already have a right of renewal See Section XI – License Renewal.

- The applicable fee for the application. Refer to *Examination and Licensing Fees* (RE 206) for current fee. ***Fees are nonrefundable per Business and Professions Code Section 10207.***
- Evidence of completion of a three semester, or quarter unit equivalent, college-level course in Real Estate Principles, Real Estate Practice and one additional course from the following list of courses:
 - Real Estate Appraisal
 - Property Management
 - Real Estate Finance
 - Real Estate Economics
 - Legal Aspects of Real Estate
 - Real Estate Office Administration
 - General Accounting
 - Business Law
 - Escrows
 - Mortgage Loan Brokering and Lending
 - Computer Applications in Real Estate
 - Common Interest Developments

Submit to:

Department of Real Estate
Examination Section
P.O. Box 187001
Sacramento, CA 95818-7001
Fax (916) 227-0925

NOTE: Your examination application should only be submitted **once** or your examination date may be changed and the fee may be charged again. ***Fees are nonrefundable per Business and Professions Code Section 10207.***

An *Examination Schedule Notice* (RE 401A) listing your examination date, time, and location will be sent to you. If you have not received your notice within the application processing timeframe listed on the DRE Web site, please check to see if an examination has been scheduled for you using the *eLicensing* online system at www.dre.ca.gov. If you have been scheduled but

have not received, lost or misplaced your *Examination Schedule Notice* (RE 401A), you can request a duplicate using *eLicensing*.

If you are not qualified at the time you submit your application and fee, you will be notified in writing. You will have **two years** from the date the DRE received your application to qualify for and pass the examination. If you do not qualify for and pass the examination within the two-year period, the application will expire and you will need to submit a new application, fee and other required documents. Refunds or credits will not be given.

If you have not been scheduled or notified of an application deficiency by the published processing timeframe, call the DRE Examination Section at 877-373-4542.

Note: See also Section XIV (G) – Do’s and Don’ts for Examination Applicants.

D. Americans With Disabilities Act (ADA) Reasonable Accommodation Requests

In compliance with the Americans with Disabilities Act (ADA), Public Law 101-336, the DRE provides reasonable accommodations for examination applicants with disabilities. It is the applicant’s responsibility to notify DRE of alternative arrangements needed. DRE will provide special accommodations once your accommodation needs are documented. Please refer to *Special Accommodation Request for Examination* (RE 413) for additional information. This form can be obtained on our Web site at www.dre.ca.gov, and attached to your examination application. If you have any questions, would like the form mailed to you, or need assistance determining whether you may require special accommodations, you may contact DRE at 877-373-4542.

E. Examination Scheduling

Examination scheduling is influenced by the volume of applications received. Examinations are generally administered, as needed, in the following areas:

- Fresno
- Los Angeles Vicinity
- Oakland
- Sacramento
- San Diego

Depending on the volume of applications, additional areas and sites may be used to schedule exams. You may check available examination dates and view a list of examination sites on the DRE Web site. However, please keep in mind that a particular examination may be filled by the time your application is processed.

Note: Examination locations within an area may vary. Requests for specific locations within the chosen area cannot be granted.

F. Rescheduling an Examination

If you do not take your examination on the date scheduled or wish to change your scheduled date, you may reschedule your examination using *eLicensing*. Or, you may complete, sign and return your *Salesperson Examination Schedule Notice* (RE 401A) or a *Salesperson Examination Change Application* (RE 415A). Refer to *Exam and Licensing Fees* (RE 206) for the current rescheduling fee. Fees are subject to change. Submit to:



Department of Real Estate
Examination Section
P.O. Box 187001
Sacramento, CA 95818-7001
Fax (916) 227-0925

You may check available examination dates and view a list of examination sites on the DRE Web site to find out when and where the DRE is scheduling examinations. Please keep in mind that a particular examination may be filled by the time your application is processed.

NOTE: You may be scheduled for only one examination date at a time. If you apply to reschedule your examination you will be removed from the current examination and may incur additional fees. Fees will not be refunded.

G. Taking the Examination

General Information — The salesperson examination consists of 150 multiple choice questions. You will be given 3 hours and 15 minutes to complete the examination.

Information on preparing for the examination, including a description of examination content, is provided in Section IX.

Examination Security — In some Department of Real Estate District Offices, examinees may be subject to Building Security screening.

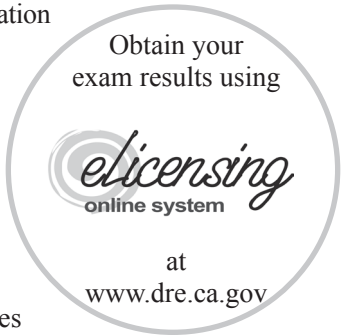
Section 123 of the Business and Professions Code (B&P) states in part that it is a misdemeanor for any person to subvert or attempt to subvert any licensing examination. The subverting of any examination includes, but is not limited to, the unauthorized reproduction of any actual examination; paying or using professional or paid examination takers for the purpose of reconstructing any portion of an examination; using any actual examination questions or material for the purpose of instructing or preparing applicants for examination; and other specified conduct which violates the standard of examination administration.

In addition to any other penalties, a person found guilty of violating Business and Professions Code §123 shall be liable for the actual damages sustained by the agency

administering the examination not to exceed ten thousand dollars (\$10,000) and the costs of litigation.

Section 496 of the Business and Professions Code states that a board may deny, suspend, revoke, or otherwise restrict a license on the ground that an applicant or licensee has violated Section 123 pertaining to subversion of licensing examinations.

Further, it is unlawful for any person with respect to any examination under this part to practice any deception or fraud with regard to his or her identity in connection with

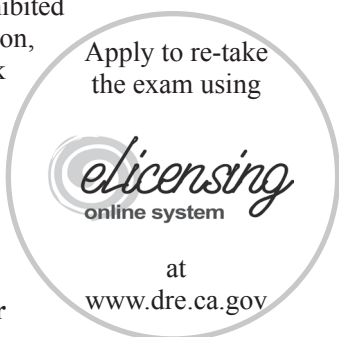


any examination, application, or request to be examined. Any person who willfully violates or knowingly participates in the violation of this Section is guilty of a misdemeanor, pursuant to B&P Code Section 10153.1.

Exam Room Security —For security reasons, the following items are *not* permitted inside of the examination room: backpacks, briefcases, suitcases, food, drink, study materials, tablets, portable computers, PDA's, personal calculators, and other similar electronic devices. Basic calculators are provided for your use; therefore, use of a personal calculator will not be allowed.

Cell phone use is prohibited during the examination, and while on break from the examination. All cell phones must be turned off, and out of sight once you enter the exam room.

DRE will not be responsible for lost or stolen items.



H. Notification of Examination Results

Individuals taking the exam in an electronic format at one of our electronic examination centers will usually receive exam results immediately upon completion of the exam. Individuals taking the exam in a paper and pencil format may take up five to seven business days to receive examination results. You may also obtain your examination results using *eLicensing*. Or, you may call the DRE Examination Section at 877-373-4542 and use the Interactive Voice Response system to obtain your exam results. Please wait at least five business days after taking your examination before calling.

To pass the examination, you must correctly answer at least 70% of the questions. Since the examination is qualifying in nature, examinees who pass are not informed of their final score. Those who pass and have not filed a Combination Examination/License application will be sent an application for a license. See Section I(J) – Once You Pass the Examination.

If you do not pass, you will be notified of the actual score, and the percentage of questions answered correctly in each of the subject areas. The overall score

cannot be obtained by averaging the percentages. Those who do not receive a passing grade may apply to re-take the examination. See Section I(I) – Re-Taking the Examination.

I. Re-Taking the Examination

If you are notified that you failed your examination, you may apply to re-take the examination using *eLicensing*, or use your *Examination Result Notice* (RE 418A). Submit the RE 418A and the required fee to:

Department of Real Estate
Examination Section
P.O. Box 187001
Sacramento CA 95818-7001
Fax (916) 227-0925

Note: You may only apply to re-take the examination **after** you are notified that you failed your examination. If you apply to re-take the examination before the results of the examination have been released, your fee may be forfeited. ***Fees are nonrefundable per Business and Professions Code Section 10207.***

You may check available examination dates and view a list of examination sites on the DRE Web site. Please keep in mind that a particular examination may be filled by the time your application is processed.

There is no limitation on the number of times you may re-take the examination within the two-year period following the date the DRE received your original examination application. However, if you wish to take the examination after the two-year period, you will be required to submit a new application and fee as described in Section I (C) – How to Apply for the Salesperson Examination.

J. Once You Pass the Examination

Once you pass the examination and if you have not filed a Combination Examination/License application, a packet including a *Salesperson License Application* (RE 202) will be sent to you. Within one year of the date you pass the examination, you must apply for your salesperson license by submitting the following:

- Application** — Completed *Salesperson License Application* (RE 202). Be sure to read all instructions and information **before** completing the application.

Your social security number **must** be included to ensure fingerprint results are received by the DRE. ***No changes of any kind will be made to an application once it has been received by the DRE.***

- The Applicable Fee** — See Section VII – Fees. Acceptable methods of payment include checks, money orders made payable to the Department of Real Estate, or credit cards.
- Fingerprints** — Have your fingerprints taken by a qualified Live Scan service provider and submit a completed *Live Scan Request* (RE 237). Applicants residing outside of California may instead submit a set of fingerprints in ink on an *FBI Applicant Fingerprint Card* (FD-258 Rev. 5/99). See Section VIII – Fingerprint Requirement.
- Proof of Legal Presence** — Documentation indicating that you are legally present in the United States such as a birth certificate, passport, resident alien card, etc., must be submitted with a completed *State Public Benefits Statement* (RE 205); legible copies are acceptable. See Section XIV (B) – Proof of Legal Presence for further information.
- Out-of-State Applicants** — Applicants who do not reside in California must also submit a completed and notarized irrevocable *Consent to Service of Process* (RE 234). See Section X – Out-of-State Applicants for further information.

Mail to:

Department of Real Estate
Licensing Section
P.O. Box 187002
Sacramento, CA 95818-7002

Note: See also Section XIV (A) – Child Support Obligors; Section XIV (H) – Tips for a Smooth Licensing Transaction; and Section XIV (I) – Help Avoid Denial of Your License Application.

K. Combined Exam/License Application

- Individuals may apply and pay for their real estate salesperson examination and license at the same time by submitting one application and both the license and examination fee. Applicants must complete the *Salesperson Exam/License Application* (RE

435), which may be obtained from the DRE Web site, and submit the required combined license and examination fee, listed on the form. Salesperson examination applicants must submit evidence of completion of a three semester, or quarter unit equivalent, college-level course in Real Estate Principles, Real Estate Practice and one additional course from the following list of courses:

- Legal Aspects of Real Estate
 - Real Estate Appraisal
 - Real Estate Finance
 - Property Management
 - Escrows
 - Mortgage Loan Brokering and Lending
 - Real Estate Office Administration
 - Computer Applications in Real Estate
 - Real Estate Economics
 - Business Law
 - Accounting
 - Common Interest Developments
- First time applicants must submit a completed *State Public Benefits Statement* (RE 205) and proof of legal presence, such as a copy of a birth certificate or passport, with their application.
- Applicants must be fingerprinted using a Live Scan service provider. Applicants may get their fingerprints taken at the time they submit their exam/license application or any time thereafter, however, results from the fingerprint process must still be received before a real estate license can be issued. *Live Scan Service Request* (RE 237) forms may be obtained on the DRE Web site. Fingerprint processing fees are not refundable under any circumstances, including failure to qualify by examination for a license.
- Missing requirements may be submitted anytime within a two-year period following DRE receipt of a combination application and fee. Additionally, if a significant period of time elapses between the time the examination/license application is filed and the date the examinee passes the test, the Department will require a written update of pertinent information before the license can be issued.

SECTION II - REAL ESTATE BROKER LICENSE

A. Minimum Requirements to Apply for the Broker Examination and License

To obtain a real estate broker license, you must first qualify for and pass a written examination. Those who pass the examination are provided a license application which must be submitted to and approved by the DRE.

Note: Individuals may also apply and pay for their real estate examination and license at the same time by submitting a *Broker Exam/License Application* (RE 436). See Section II(K) for further details.

1. **Age** — You must be 18 years of age or older to be issued a license.
2. **Residence** — Proof of legal presence in the United States is required (see Section XIV (B) – Proof of Legal Presence). If you do not reside in California, see Section X – Out-of-State Applicants.
3. **Honesty** — License applicants must be honest and truthful. Conviction of a crime may result in the denial of a license. Failure to disclose **any** criminal violation or disciplinary action in an applicant's **entire history** may also result in denial of a license. See Section XIV (I) – Help Avoid Denial of Your License Application for further information.
4. **Education** — Successful completion of the following college level courses is required to become a real estate broker:
 - a. Real Estate Practice
 - b. Legal Aspects of Real Estate
 - c. Real Estate Finance
 - d. Real Estate Appraisal
 - e. Real Estate Economics or General Accounting*
 - f. And three* courses from the following group:
 - Real Estate Principles
 - Business Law
 - Property Management
 - Escrows
 - Real Estate Office Administration
 - Mortgage Loan Brokering and Lending
 - Advanced Legal Aspects of Real Estate
 - Advanced Real Estate Finance
 - Advanced Real Estate Appraisal

- Computer Applications in Real Estate
- Common Interest Developments

*If both Real Estate Economics and General Accounting are completed, only two courses from group “F” are required.

Continuing education offerings do not satisfy the college-level course requirements for the broker examination.

Each college-level course must be a minimum of three semester-units or four quarter-units. The courses must be completed prior to being scheduled for an examination.

Courses must be completed at an institution of higher learning accredited by the Western Association of Schools and Colleges or by a comparable regional accrediting agency recognized by the United States Department of Education, or by a private real estate school which has had its courses approved by the California Real Estate Commissioner. See Section XII – Availability of Required Courses.

Courses completed through foreign institutions of higher learning must be evaluated by a foreign credentials evaluation service approved by the Department of Real Estate. See *Examination Applicant Foreign Education Information* (RE 223) available on the DRE Web site for further information.

Copies of official transcripts are generally acceptable evidence of completed courses. Transcripts of other courses, submitted as a potential equivalent course of study in lieu of the statutory courses, must be accompanied by an official course or catalog description in order to be evaluated for equivalency.

If you intend to request a review for acceptance of a real estate related course which is titled differently from the list of required courses, a copy of your official transcript should be submitted with your examination application and a copy of the course syllabus or a copy of the college’s catalogue description (for the year of attendance) for the course.

Note: Qualified broker applicants who have completed the eight required college-level courses are eligible to take the salesperson examination without providing further evidence of education or

experience.

- 5. Experience** — A minimum of two years full-time licensed salesperson experience within the last five years or the equivalent is required. Following are acceptable methods of documenting the experience requirement for the broker examination.

a. **Verification of licensed sales experience**

The fact that you have held a salesperson license for two years does not necessarily qualify you for a broker license. You must document employment as a licensed salesperson on a **full-time basis** (or part-time for the equivalent of two years full-time) in the form of certifications from your employing broker or former employing broker(s). These certifications must be made using the *Employment Verification* (RE 226) form, which is included in the broker examination application package and is available on the DRE Web site. **Letters of recommendation will not suffice.** Plus, this experience must have been gained sometime during the five years immediately preceding the date of your broker examination application.

The **License Status Check** feature of the DRE Web site may be used to find your employing current and prior broker's address of record.

If it is impossible to obtain verification of employment from a former employing broker, you must still complete the *Employment Verification* (RE 226) form in full and indicate the reason why you could not obtain the employing broker's signature (e.g., deceased, litigation, etc.) in the space labeled "Signature of Certifying Broker." In addition, you must attach **two** *Employment Certification* (RE 228) forms from persons who work in a related professional capacity and who are in a position to attest to your experience and activity. One *Employment Verification* (RE 226) form and two *Employment Certification* (RE 228) forms are required for each separate employment when the actual employing broker is not able to verify employment.

When submitting the *Employment Verification* (RE 226) and the *Employment Certification*

(RE 228) forms, it is important that you provide sufficient detail to enable the Department to perform an evaluation. The Department may conduct further inquiry when evaluating experience.

b. Licensed experience defined

- 1) Full-time salesperson activity means at least 40 hours per week devoted to activities that require a real estate license. No additional credit will be given for more than 40 hours of activity.
- 2) Part-time activity as a real estate salesperson will be given credit on a prorated basis. For example, 20 hours of activity per week would be given credit as halftime employment, and four years of such employment would be required to qualify for a broker license. No credit is given for less than 10 hours of activity per week.
- 3) Salespersons who claim full-time employment for 40 hours per week, but who are employed as full-time employees in another industry, will not, ordinarily, be credited in excess of 20 hours per week maximum (or halftime employment in the real estate business).

c. Education in lieu of experience

1) *Four-year degree*

An applicant with a four-year degree from a college accredited by the Western Association of Schools and Colleges (or accredited comparable regional accrediting agency recognized by the United States Department of Education) may be exempt from the two-year salesperson experience requirement. This may be verified by submitting either a copy of the diploma or transcript showing the degree earned. Regardless of the degree, the applicant must show evidence (transcripts) of having completed the eight required college-level courses at the time of filing the application. The eight required courses, which is considered the equivalent of a minor in Real Estate, may be part of the degree requirements or they may be completed separately from the degree course work.

Courses completed or degrees earned through foreign institutions of higher learning **must** be evaluated by a foreign credentials evaluation service approved by the DRE. See *Examination Applicant Foreign Education Information* (RE 223) available on the DRE Web site for further information.

2) ***Other educational substitutes for experience***

Members of the California State Bar are statutorily exempt from the college-level course requirements. Evidence of admission to practice Law in California must be furnished, such as photocopy of both sides of a California State Bar membership card.

Members of any other State Bar as well as individuals holding an LL.B or J.D. degree who are not members of any State Bar, including CA, may generally qualify on the basis of education. These applicants are required to submit evidence of an LL.B. or J.D. Degree from a college or university accredited by the Western Association of Schools and Colleges (or comparable regional accrediting agency recognized by the United States Department of Education) for evaluation, as well as proof of successful completion of three semester or four quarter unit college-level courses in Real Estate Finance and Real Estate Appraisal.

Real Estate Finance and Real Estate Appraisal may be taken through either a college or university accredited by the Western Association of Schools and Colleges (or comparable regional accrediting agency recognized by the United State Department of Education), or by a private real estate school which has its courses approved by the California Real Estate Commissioner.

d. **Equivalent activities in lieu of experience**

1) ***General information***

A claim of equivalent experience, in lieu of the two years of sales experience required for the broker examination, may be based on any combination of salesperson experience and equivalent experience, which considered as

a whole, would satisfy the intent of the law.

An applicant who has not been active as a licensed real estate salesperson may be eligible for the broker examination, provided *Equivalent Experience Verification* (RE 227) form(s) showing real estate-related experience is submitted. The *Equivalent Experience Verification* (RE 227) form(s) must be completed **in full** and must have **two** verifying signatures on **each** form.

When submitting the *Equivalent Experience Verification* (RE 227) form(s), it is important that you provide sufficient detail to enable the Department to perform an evaluation. The Department may conduct further inquiry when evaluating equivalent experience.

Regardless of the experience claimed, the eight college-level courses required for a broker's license must be completed and cannot be waived based on the equivalent experience.

2) *Acceptable kinds of equivalent experience*

An applicant may qualify with **two years full-time experience**, gained within the five-year period immediately prior to the date of application for the broker examination, in any of the following areas:

- a) Experience as an escrow or title officer or as a loan officer in a capacity directly related to the financing or conveying of real property.
- b) Experience as a subdivider, contractor, or speculative builder, during which time applicant performed comprehensive duties relating to the purchase, finance, development, and sale or lease of real property.
- c) Experience as a real property appraiser.

The above-referenced patterns are designed to assist applicants in understanding the general types of equivalent experience which can be used to qualify for the broker examination. Other types of direct real estate-related experience will be considered, provided that it satisfies the intent of the law.

It should be noted, however, that claims for equivalency by unlicensed persons for activities which require a real estate license will not be considered.

Note: Care in preparing the claim of qualification, substantiation of experience, and presentation of adequate supporting letters or certifications will facilitate the review of an application. Do not have verifiers send individual letters separate from your application submissions. Be accurate as to dates, etc., as incompleteness or inaccuracies will result in delays and extra correspondence.

B. DRE Evaluation of Experience

All qualification requirements must be met before you can be scheduled for a broker examination. DRE evaluation of claimed experience or education **cannot** be conducted with applicants in person at any office of the Department or on the telephone.

If you wish an evaluation of your previous college courses, degree or experience, you must submit a completed application and fee as described in Section II(C) below.

C. How To Apply for the Broker License Examination

Initial examination scheduling cannot occur until your application has been approved by the DRE. To apply for the exam you must submit EITHER:

- A *Broker Exam/License Application (RE 436)*. Individuals may apply and pay for their real estate broker examination and license at the same time by submitting one form, *Broker Exam/License Application (RE 436)*, and both the exam and license fee.

OR:

- An original *Broker Examination Application (RE 400B)*. Be sure to read all instructions and information **before** completing the application. Your social security number **must** be included to ensure fingerprint results are received by the DRE. ***No changes of any kind will be made to an application once it has been received by the DRE.***

Be sure to read all instructions and information **before** completing the application. Your social

security number **must** be included to ensure fingerprint results are received by the DRE.

You may not apply to take the examination if you have a broker license that can still be renewed. See Section XI – License Renewal.

- The applicable fee for the application Refer to *Examination and Licensing Fees* (RE 206) for current fee. ***Fees are nonrefundable per Business and Professions Code Section 10207.***
- Transcripts showing successful completion of the eight required college-level courses. See Section II (A)4 – Education).
- Document the experience requirement by completing *Employment Verification* (RE 226) form(s) verifying licensed salesperson experience; submitting transcripts or a copy of your diploma to verify your college or law degree; and/or completing *Equivalent Experience Verification* (RE 227) form(s). For required documentation specifically applicable to your situation. See Section II (A)(5) – Experience.
- Mail completed application, official transcript(s) or copy of official transcript(s), all supporting documentation, and applicable fee to:

Department of Real Estate
Examination Section
P.O. Box 187001
Sacramento, CA 95818-7001

A *Broker Examination Schedule Notice* (RE 401B) listing your examination date, time, and location will be sent to you. If you have not received your notice within the application processing timeframes listed on the DRE Web site, please check to see if an examination has been scheduled for you using the ***eLicensing*** online system. If you have been scheduled and have not received, lost or misplaced your *Broker Examination Schedule Notice* (RE 401B), you can request a duplicate using ***eLicensing***.

If you are not qualified at the time you submit your application, you will be notified in writing. You will have **two years** from the date the DRE received your application to complete the qualifications and pass the examination. If you do not qualify for and pass the examination within the two-year period, the application will expire and you will need to submit a new application, fee and other required documents.

If you have not been scheduled or notified of an application deficiency by the published processing timeframe, call the DRE Examination Section at 877-373-4542.

Note: See also Section XIV (G) – Do’s and Don’ts for Examination Applicants.

D. Americans with Disabilities Act (ADA) Reasonable Accommodation Requests

In compliance with the Americans with Disabilities Act (ADA), Public Law 101-336, the DRE provides reasonable accommodations for examination applicants with disabilities. It is the applicant’s responsibility to notify DRE of alternative arrangements needed. DRE will provide special accommodations once your accommodation needs are documented. Please refer to *Special Accommodation Request for Examination* (RE 413) for additional information. This form can be obtained on our Web site at www.dre.ca.gov, and attached to your examination application. If you have any questions, would like the form mailed to you, or need assistance determining whether you may require special accommodations, you may contact DRE at 877-373-4542.

E. Examination Scheduling

Examination scheduling is influenced by the volume of applications received. Examinations are generally administered, as needed, in the following areas:

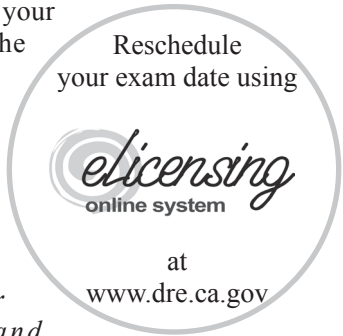
- Fresno
- Los Angeles Vicinity
- Oakland
- Sacramento
- San Diego

Depending on the volume of applicants, additional areas and sites may be used to schedule exams. You may check available examination dates and view a list of examination sites on the DRE Web site. Please keep in mind that a particular examination may be filled by the time your application is processed.

Note: Examination locations within an area may vary. Requests for specific locations within the chosen area cannot be granted.

F. Rescheduling an Examination

If you do not take the examination on the date scheduled, or wish to change your scheduled date, you may reschedule your examination using the **eLicensing** online system. Or, you may complete, sign and submit your *Broker Examination Schedule Notice* (RE 401B) with the correct fee. *Refer to Examination and Licensing Fees* (RE 206) for current fee.



Department of Real Estate
Examination Section
P.O. Box 187001
Sacramento, CA 95818-7001
Fax (916) 227-0925

You may check available examination dates and view a list of examination sites on the DRE Web site to find out when and where the DRE is scheduling examinations. Please keep in mind that a particular examination may be filled by the time your application is processed.

NOTE: You may be scheduled for only one examination date at a time. If you apply to reschedule your examination you will be removed from the current examination, and may incur additional fees. Fees will not be refunded.

G. Taking the Examination

General Information — The broker examination consists of 200 multiple choice questions. There are 100 multiple choice questions in the AM session of the exam and 100 multiple choice questions in the PM session of the exam. You will be given 2 hours and 30 minutes to complete each session.

Information on preparing for the examination, including a description of examination content, is provided in Section IX.

Examination Security — In some Department of Real Estate District Offices, examinees may be subject to Building Security screening.

Section 123 of the Business and Professions Code (B&P) states in part that it is a misdemeanor for any person to subvert or attempt to subvert any licensing examination. The subverting of any examination includes, but is not limited to, the unauthorized reproduction of any actual examination; paying or using professional or paid examination takers for the purpose of reconstructing any portion of an examination; using any actual examination questions or material for the purpose of instructing or preparing applicants for examination; and other specified conduct which violates the standard of examination administration.

In addition to any other penalties, a person found guilty of violating B&P §123 shall be liable for the actual damages sustained by the agency administering the examination not to exceed ten thousand dollars (\$10,000) and the costs of litigation.

B&P §496 states that a board may deny, suspend, revoke, or otherwise restrict a license on the ground that an applicant or licensee has violated §123 pertaining to subversion of licensing examinations.

Further, it is unlawful for any person with respect to any examination under this part to practice any deception or fraud with regard to his or her identity in connection with any examination, application, or request to be examined. Any person who willfully violates or knowingly participates in the violation of this Section is guilty of a misdemeanor, pursuant to B&P Section 10153.1.

Exam Room Security —For security reasons, the following items are *not* permitted inside of the examination room: backpacks, briefcases, suitcases, food, drink, study materials, tablets, portable computers, PDA's, personal calculators, and other similar electronic devices. Basic calculators are provided for your use; therefore, use of a personal calculator will not be allowed.

Cell phone use is prohibited during the examination, and while on break from the examination. All cell phones must be turned off, and out of sight once you enter the exam room.

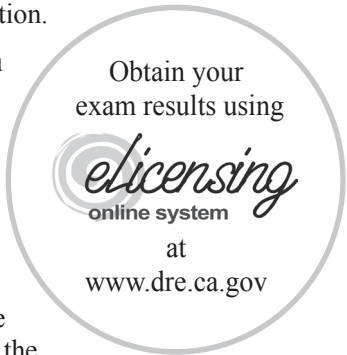
DRE will not be responsible for lost or stolen items.

H. Notification of Examination Results

The electronic examination program allows examinees to take the real estate broker examination and receive results immediately following completion of the exam. For non-electronic exam sites, examination results will be mailed to you, normally within five to seven working days after the examination. You may also obtain your examination results using the **eLicensing** online system. Or, you may call the DRE Examination Section at 877-373-4542 using the Interactive Voice Response system. Please wait at least five business days after taking your examination before calling.

To pass the examination, you must correctly answer at least 75% of the questions. Since the examination is qualifying in nature, examinees who pass are not informed of their final score. Those who pass will be sent an application for a license. See Section II (J) – Once You Pass the Examination.

If you do not pass, you will be notified of the actual score and the percentage of questions answered correctly in each of the subject areas of the examination. The overall score cannot be obtained by averaging the percentages. Those who do not receive a passing grade may apply to re-take the examination. See Section II (I) – Re-Taking the Examination.



I. Re-Taking the Examination

If you are notified that you failed your examination, you may apply to re-take the examination using **eLicensing** or use your *Examination Result Notice* (RE 418B). Submit the RE 418B and the required fee to:

Department of Real Estate
Examination Section
P.O. Box 187001
Sacramento CA 95818-7001
Fax (916) 227-0925

Note: You may only apply to re-take the examination **after** you are notified that you failed your examination. If you apply to re-take the examination before the results

of the examination have been released, your fee may be forfeited. ***Fees are nonrefundable per Business and Professions Code Section 10207.***

You may check available examination dates and view a list of examination sites on the DRE Web site. Please keep in mind that a particular examination may be filled by the time your application is processed.



There is no limitation on the number of times you may re-take the examination during the two-year period following the date your original application was filed. However, if you wish to re-take the examination after the two-year period, you will be required to submit a new application and fee as described in Section II (C) – How to Apply for the Broker License Examination.

J. Once You Pass the Examination

Once you pass the examination, a packet including a *Broker License Application* (RE 200) will be sent to you. Within one year of the date you pass the broker examination, you must apply for your broker license by submitting the following:

- Application** — Completed *Broker License Application* (RE 200). Be sure to read all instructions and information **before** completing the application. Your social security number **must** be included to ensure fingerprint results are received by the DRE. ***No changes of any kind will be made to an application once it has been received by the DRE.***
- Applicable Fee** — See Section VII – Fees. Acceptable methods of payment include checks, money orders made payable to the Department of Real Estate, or credit cards.
- Fingerprints** — This requirement does not apply to broker applicants who currently hold a salesperson license. If you have not already done so, submit a completed *Live Scan Request* (RE 237). Applicants residing outside of California may instead submit a set of fingerprints in ink on an *FBI Applicant Fingerprint Card* (FD-258 Rev. 5/99). See Section VIII – Fingerprint Requirement.

- ❑ **Proof of Legal Presence** — Documentation indicating that you are legally present in the United States such as a birth certificate, resident alien card, etc., must be submitted with a completed *State Public Benefits Statement* (RE 205). Legible copies are acceptable. This step is not required if this information was previously submitted for a salesperson license. (See Section XIV (B) – Proof of Legal Presence for further information.)
- ❑ **Out-of-State Applicants** — Applicants who do not reside in California must also submit a completed and notarized irrevocable *Consent to Service of Process* (RE 234) and an *Out-of-State Broker Acknowledgment* (RE 235), if applicable. See Section X – Out-of-State Applicants for further information.

Mail to:

Department of Real Estate
Licensing Section
P.O. Box 187002
Sacramento, CA 95818-7002

Note: See also Section XIV (A) – Child Support Obligors; Section XIV (H) – Tips for a Smooth Licensing Transaction; and Section XIV (I) – Help Avoid Denial of Your License Application.

K. Combined Exam/License Application

Individuals may apply and pay for their real estate broker examination and license at the same time by submitting one application and both the License and Examination fee. Applicants must complete the *Broker Exam/License Application* (RE 436), which may be obtained from the DRE Web site, and submit the required combined license and examination fee, listed on the form. Broker examination applicants must submit all education and experience requirements with their application. Once submitted, the fee may not be refunded or transferred to another application. The applicant must successfully pass the examination within two years of the date the application is filed. If those steps are not completed within the two-year time limit, the application and fee will expire.

Applicants who do not hold a salesperson license, must submit a completed *State Public Benefits Statement* (RE 205) and proof of legal presence, such as a copy of a birth certificate or passport, with their application.

Applicants who do not currently hold a salesperson license must also be fingerprinted using a Live Scan service provider. Applicants may get their fingerprints taken at the time they submit their exam/license application or any time thereafter; however, results from the fingerprint process must still be received before a real estate license can be issued. *Live Scan Service Request* forms (RE 237) may be obtained on the DRE Web site. Fingerprint processing fees are not refundable under any circumstances, including failure to qualify by examination for a license.

Missing requirements may be submitted anytime within a two-year period following DRE receipt of a combination application and fee. Additionally, if a significant period of time elapses between the time the examination/license application is filed and the date the examinee passes the test, the Department will require a written update of pertinent information before the license can be issued.

SECTION III – REAL ESTATE CORPORATION LICENSE

A. General Information

A corporation may be licensed as a real estate broker through one or more of its officers who are brokers or have qualified for a broker license by examination within the twelve months preceding receipt of application. All acts of the licensed broker/officer(s) under this license must be performed only on behalf of the corporation.

If you do not reside in California, see Section X – Out-of-State Applicants.

The license issued to a corporation’s designated officer entitles that individual to conduct licensed activities on behalf of the corporation. The person applying for a designated broker/officer license must hold an officer title in the corporation. The term “broker/officer” is **not** an official officer title.

Other officers who are acting for the corporation in any capacity which would require a broker license must be additionally licensed as officers of the corporation. Additional broker/officers may be licensed by submitting a completed *Corporation License Application* (RE 201) and the applicable fee. There is no limit to the number of broker/officers who may be added. All brokers who are applying for an additional broker/officer license must hold an officer title in the corporation. The term “broker/officer” is **not** an official officer title.

The designated corporate officer is responsible for the supervision and control of the activities requiring a license that are conducted, on behalf of the corporation, by its officers and employees. The designated broker officer may, by resolution of the board of directors, assign supervisory responsibility over salespersons licensed to the corporation to additional licensed broker officers. A certified copy of the corporate resolution and *Certification (Assignment of Supervisory Responsibility)* (RE 210) must be forwarded to DRE within five days after the adoption or modification thereof if such supervisory responsibility has been delegated to other licensed broker officers.

B. How to Apply

Corporation license applicants must complete and submit:

- Corporation License Application* (RE 201). Be sure to read all instructions and information **before** completing the application. Applicants who have passed the broker examination but do not currently hold a real estate license are subject to fingerprint requirements and fees (see Section VIII – Fingerprint Requirements). ***No changes of any kind will be made to an application once it has been received by the DRE.***
- Corporation Background Statement(s)* (RE 212), **if applicable**. Section III of the *Corporation License Application* (RE 201) requires the designated officer who obtains the original corporation license to file a *Corporation Background Statement* (RE 212) for any director, chief executive officer, president, first level vice president(s), secretary, chief financial officer, and subordinate officers with responsibility for forming policy of the corporation and all natural persons owning or controlling more than 10% of its shares, **if** such a person has been the subject of any of

the items enumerated in Commissioner's Regulation 2746. If none of the officers have been the subject of any of the items enumerated in that Regulation, a *Corporation Background Statement(s)* (RE 212) is not needed. In all instances, the designated broker/officer **must** complete and **sign** the certification in Part III of the application.

- Applicable Fee. *Refer to Examination and Licensing Fees* (RE 206) for current fee.
- Live Scan Service Request* (RE 237), when applicable (see Section VIII – Fingerprint Requirements).
- Certificate of Status, Certification of Foreign Corporation, or Certification of Qualification (if issued within 30 days before the date the application is submitted to our office), or Articles of Incorporation (if filed with the California Secretary of State within six months before the date the application is submitted to our office). These documents can be obtained by any registered corporation from the California Secretary of State.
- Branch Office Application* (RE 203), when applicable, for each additional office location being added.
- Certified copy of *Fictitious Business Name Statement* (DBA), when applicable, if the corporation will be doing business with any name other than the corporation name. See *Fictitious Business Name Information* (RE 282).
- A completed *Salesperson Change Application* (RE 214) for any licensed salesperson the corporation intends to employ to conduct licensed activity as an employee of the corporation.
- Proof of legal presence in the United States is required of all license applicants. A proof of legal presence document such as a birth certificate, resident alien card, etc. must be submitted, when applicable, with a completed *State Public Benefits Statement* (RE 205). See Section XIV (B) – Proof of Legal Presence for further information.

Mail to:

Department of Real Estate
Corporations Section
P.O. Box 187004
Sacramento, CA 95818-7004

Note: See also Section XIV (A) – Child Support Obligors; Section XIV (H) – Tips for a Smooth Licensing Transaction; and Section XIV (I) – Help Avoid Denial of Your License Application.

SECTION IV - MORTGAGE LOAN ORIGINATOR (MLO) LICENSE ENDORSEMENT

Title V of Public Law 110-289, the *Secure and Fair Enforcement for Mortgage Licensing Act of 2008* (“SAFE” Act), was passed on July 30, 2008. The federal SAFE Act was designed to enhance consumer protection and reduce fraud through the setting of minimum standards for the licensing and registration of state-licensed residential mortgage loan originators.

The Conference of State Bank Supervisors (CSBS) and the American Association of Residential Mortgage Regulators (AARMR) maintains the Nationwide Mortgage License System & Registry (NMLS) as the repository for state licensing. The NMLS contains a single license record for each mortgage loan lender, broker, branch and mortgage loan originator (MLO) and can be used to apply for, amend, and renew a MLO license in any state.

Senate Bill 36 (SB 36) was signed into law in October 2009, and was enacted in order to bring California into compliance with the provisions set forth in the SAFE Act. SB 36 requires all DRE licensees who conduct **residential (1 to 4 units)** MLO activities to obtain a MLO license endorsement.

The SAFE Act specifically prohibits the licensing of a MLO under **any** of the following conditions:

- If the applicant has ever been convicted of a felony involving an act of fraud, dishonesty, breach of trust, or money laundering, or convicted of **any** felony in the seven year period before filing an application for an endorsement; or
- If an applicant has ever had a MLO license revoked in any governmental jurisdiction; or
- If an applicant has demonstrated a lack of financial responsibility by showing disregard in the management of his or her own financial condition.

A. Who Must Obtain a MLO License Endorsement

All DRE licensees who conduct **residential (1 to 4 units)** MLO activities are required to obtain a MLO license endorsement.

For individuals licensed by DRE, a mortgage loan originator (MLO) means:

An individual who takes a residential mortgage loan application or offers or negotiates terms of a residential mortgage loan for compensation or gain. An individual real estate licensee acting within the meaning of Section 10131(d) or Section 10131.1(b)(1)(c) of the Business and Professions Code (B&P) is a mortgage loan originator with respect to activities involving residential mortgage loans.

B. Additional Reporting Requirement

All DRE licensees performing mortgage loan activities must report to DRE if they make, arrange, or service loans secured by residential property (1 to 4 units). The report must be made within 30 days of commencing activity and must be completed online using the *Mortgage Loan Activity Notification* (RE 866). This reporting requirement must be updated in the event the licensee no longer performs residential mortgage loan origination.

Licensees will be required to update the *Mortgage Loan Activity Notification* (RE 866), in the event they no longer perform, or do not intend to perform residential mortgage loan activities, as described above. Licensees may choose to cancel or update their status as a residential mortgage loan originator.

C. Requirements to Obtain an Individual MLO License Endorsement

MLO license endorsement applications must be submitted through NMLS and the applicant must complete **all** of the following requirements before a MLO license endorsement will be issued:

- Successfully complete the National and California State specific **examinations**.
- Submit a MLO license endorsement **application** (Form MU4) filing through NMLS and pay required licensed endorsement fees.

- Submit **fingerprints** to NMLS during the license endorsement application process.
- Satisfy the 20-hour **pre-license education** requirement.
- Submit authorization for NMLS to obtain a **credit report**.

Detailed step-by-step instructions for obtaining an individual MLO license endorsement can be found on our Web site. We recommend that you read the material carefully before submitting an application for a MLO license endorsement.

To avoid delays in the processing of your individual MLO application, we also strongly recommend that you obtain a copy of your DRE public license printout prior to submitting your application to ensure that your NMLS record matches the information on file with DRE. Your DRE public license printout can be obtained on our Web site at <http://www.dre.ca.gov/PublicASP/ppinfo.asp>.

D. Requirements to Obtain a Company MLO License Endorsement

Real estate corporations and real estate brokers working as sole proprietors must file an application (Form MU1) in NMLS to obtain a company MLO license endorsement.

For a corporation, the designated broker/officer must have an approved individual MLO license endorsement before the company MLO license endorsement will be approved. For a sole proprietor filing, the real estate broker must have an approved individual MLO license endorsement before the sole proprietor company MLO filing will be approved.

Detailed step-by-step instructions for obtaining a company MLO license endorsement can be found on our Web site. We recommend that you read the material carefully before submitting an application for a MLO license endorsement.

To avoid delays in the processing of your company MLO application, we also strongly recommend that you obtain a copy of your company's DRE public license printout prior to submitting your application to ensure that your NMLS record matches the information on file with DRE. Your DRE public license printout can

be obtained on our Web site at <http://www.dre.ca.gov/PublicASP/pplinfo.asp>.

SECTION V – MINERAL, OIL AND GAS INFORMATION

A. General Information

The Department of Real Estate no longer issues mineral, oil and gas (MOG) permits or original MOG licenses. A real estate broker license is required to engage in specified activities with respect to MOG properties. An existing MOG broker license (individual or corporate) may be renewed every four years for the life of the holder.

Note: See also Section XIV (A) – Child Support Obligors.

SECTION VI – PREPAID RENTAL LISTING SERVICE (PRLS) LICENSE

A. Description of Business

A Prepaid Rental Listing Service (PRLS) license is required for the business of supplying prospective tenants with listings of residential real property for tenancy while collecting a fee at the same time or in advance of when the listings are supplied. Negotiation of the rental of property is not allowed under a PRLS license.

B. How to Apply for a PRLS License

An individual or a corporation may obtain, without examination, a two-year license to conduct PRLS activities. Applicants must complete and submit:

- Either an *Individual License Application* (PRLS) (RE 271) **or** a *Corporation License Application* (PRLS) (RE 272); Be sure to read all instructions and information **before** completing the application. ***No changes of any kind will be made to an application once it has been received by the DRE.***

- Applicable fee (see Section VII – Fees).
- Proof of fingerprinting taken by a Live Scan service provider (see Section VIII – Fingerprint Requirement).
- Proof of legal presence documentation such as a birth certificate, resident alien card, etc. must be submitted with a completed *State Public Benefits Statement* (RE 205). See Section XIV (B) – Proof of Legal Presence for further information.
- A fully completed *Surety Bond* (RE 270) **or** a *Cash Deposit Security* (RE 275) (\$10,000 for each location).
- A copy of the contract to be entered into between the prospective PRLS and client/prospective tenant. The DRE must approve the contract before a PRLS license can be issued.

Mail to:

Department of Real Estate
PRLS Desk
P.O. Box 187000
Sacramento, CA 95818-7000

Note: See also Section XIV (A) – Child Support Obligors; Section XIV (H) – Tips for a Smooth Licensing Transaction; and Section XIV (I) – Help Avoid Denial of Your License Application.

Unlicensed Officers – Persons completing an *Unlicensed Officer Questionnaire* (PRLS) (RE 273) in conjunction with a *Corporation License Application* (PRLS) (RE 272) are required to be fingerprinted, but are not required to submit proof of legal presence or the *State Public Benefits Statement* (RE 205). Application requirements pertain to each location to be operated by the PRLS licensee.

Additional Locations – An additional location license is required for each location (other than the main office) from which PRLS activities will be conducted. To license an additional location, applicants must complete and submit an *Additional Location Application* (PRLS) (RE 274); either a fully completed *Surety Bond* (PRLS) (RE 270) or *Cash Deposit Security* (PRLS) (RE 275); and the correct fee for **each** location being requested.

PRLS activities at each location must be under the

direct supervision of either a PRLS licensee (individual or licensed officer) or designated agent. However, a licensed individual, licensed officer or designated agent may not simultaneously supervise more than one location at a time.

A *Designated Agent Application* (RE 256) must be completed, signed, and returned by each designated agent applicant in conjunction with each *Additional Location Application* (PRLS) (RE 274). Proof of fingerprinting taken by a live scan service provider for each designated agent applicant must be submitted (see Section VII – Fingerprint Requirement). Proof of legal presence in the United States such as a birth certificate, alien resident card, etc. and a completed and signed *State Public Benefits Statement* (RE 205) are also required (see Section XIV (B) – Proof of Legal Presence).

C. Real Estate Brokers/PRLS Activities

A real estate broker is not required to hold a PRLS license in order to conduct a PRLS business at his/her licensed location(s). Such a broker is, however, required to use a contract approved in advance by DRE. Either the broker or a salesperson in the employ of the broker must be designated to supervise the PRLS activities.

For further information, contact:

Department of Real Estate
PRLS Desk
P.O. Box 187000
Sacramento, CA 95818-7000
877-373-4542

SECTION VII – FEES

Refer to *Exam and Licensing Fees* (RE 206), available on the DRE Web site, for current licensing and exam fees. Fees are subject to change.

Acceptable methods of payment include checks, money orders made payable to the Department of Real Estate, or credit cards (VISA, Master Card, American Express, and Discover). See *Credit Card Payment* (RE 909) available on the DRE Web site. ***Do not send cash.***

Note: All fees are nonrefundable per Business and Professions Code Section 10207.

SECTION VIII – FINGERPRINT REQUIREMENT

An applicant for any real estate license must submit one set of classifiable fingerprints, acceptable to the State Department of Justice (DOJ), unless the applicant is currently licensed by the DRE or has held a real estate license that expired less than two years ago.

Using a *Live Scan Service Request* form (RE 237), the applicant is fingerprinted using the DOJ's Live Scan Program which electronically takes and transmits fingerprints to the DOJ and the Federal Bureau of Investigation (FBI). **An original license will not be issued until a report from the DOJ and the FBI is received stating that there is no criminal history, or disclosing criminal history information which then must be reviewed and evaluated.** See Section XIV (I) – Help Avoid DENIAL of Your License Application for further information.

Applicants may choose to be fingerprinted after they have submitted their examination application or after passing their examination. Fingerprint processing fees are not refunded if applicants fail to pass the examination. Social security numbers are required on examination applications to ensure fingerprint reports are received by the DRE.

To be fingerprinted, take the *Live Scan Service Request* (RE 237) to a participating live scan service provider. Many California law enforcement agencies and other private providers provide electronic fingerprint services. You may obtain a complete list of fingerprint service providers by visiting the Department of Justice's Web site at www.caag.state.ca.us/fingerprint/publications/contact.htm. Please note that the hours of operation of each provider may vary and an appointment may be required.

The fingerprint processing fee and live scan service fee should be paid directly to the live scan provider (not to the DRE).

After the live scan service provider takes the fingerprints, submit a copy of the *Live Scan Service Request* (RE 237) with Part 3 completed to the DRE as follows:

- **If fingerprinted BEFORE passing the examination,** submit the completed *Live Scan*

Service Request (RE 237) to:

Department of Real Estate

P.O. Box 187002

Sacramento, CA 95818

Attn.: Fingerprint Desk

Note: All fees are nonrefundable per Business and Professions Code Section 10207.

- **If fingerprinted AFTER passing the examination,** submit the completed *Live Scan Service Request (RE 237)* with your original license application.
- **If you do not reside in California,** you may be fingerprinted at a live scan service provider in California by following the process explained above or be fingerprinted out-of-state using *FBI Applicant Fingerprint Card (FD-258 Rev. 5/99)*, which will be provided to all out-of-state applicants with the original license application. The *FBI Applicant Fingerprint Card* should be taken to a local law enforcement agency for completion and be submitted directly to the DRE with the completed license application, the license application fee, and the fingerprint processing fee (combined payment of both fees is acceptable). Applicants who wish to be fingerprinted out-of-state after applying for examination but before passing the examination may request a blank fingerprint card by contacting the Licensing Section at 877-373-4542.

SECTION IX – SALESPERSON AND BROKER EXAMINATIONS

A. Preparing for Examination

The DRE publishes the *Reference Book – A Real Estate Guide* that broadly covers the financial, economic, and political aspects of real estate practice in California. Regulation of the real estate business and licensing of real estate brokers and salespersons is discussed. One chapter describes the type and scope of the license examinations. The Reference Book is available on the DRE Web site free of charge and can also be purchased as a book. See Section XIII – DRE Publications for prices and ordering information.

The DRE also annually publishes the *Real Estate*

Law which contains the Real Estate Law and the laws governing subdivided lands administered by the Real Estate Commissioner, the Regulations of the Real Estate Commissioner, the Administrative Procedure Act and pertinent excerpts from the California Codes.

Additionally, most bookstores and libraries contain a “real estate shelf” of publications which can be helpful in preparing for the examination.

B. Examination Content

The law requires that salesperson and broker license applicants demonstrate in a written examination:

- Appropriate knowledge of the English language, including reading, writing, and spelling; and of arithmetical computations common to real estate and business opportunity practices;
- An understanding of the principles of real estate and business opportunity conveyancing; the general purposes and general legal effect of agency contracts, deposit receipts, deeds, deeds of trust, chattel mortgages, bills of sale, mortgages, land contracts of sale, and leases; and of the principles of business, land economics and appraisals; and
- A general and fair understanding of the obligations between principal and agent; the principles of real estate and business opportunity transactions, and the code of business ethics pertaining thereto; as well as of the provisions of the law relating to real estate administered by the Real Estate Commissioner.

The California real estate salesperson and broker examinations are comprised of seven major areas of real estate subject matter: 1) Property Ownership and Land Use Controls and Regulations, 2) Laws of Agency, 3) Valuation and Market Analysis, 4) Financing, 5) Transfer of Property, 6) Practice of Real Estate and Mandated Disclosures, and 7) Contracts.

When changes in the law occur or changes in the practice of real estate take place, new subject matter is added to one or more of the seven major areas of the examination. The examination is revised and brought up to date on a regular basis. There is no assurance that a specific examination will cover all subject matter listed, because the examination merely samples the broad field of real estate.

The following list of examination topics is for informational purposes and should not be considered totally comprehensive:

Area 1 — Property Ownership and Land Use Controls and Regulations

Approximately 18% of sales exam & 15% of broker exam

- Classes of property
- Property characteristics
- Encumbrances
- Types of ownership
- Descriptions of property
- Government rights in land
- Public controls
- Environmental hazards and regulations
- Private controls
- Water rights
- Special categories of land

Area 2 — Laws of Agency

Approximately 12% of sales exam & 12% of broker exam

- Law, definition and nature of agency relationships, types of agencies, and agents
- Creation of agency and agency agreements
- Responsibilities of agent to seller/buyer as principal
- Disclosure of agency
- Disclosure of acting as principal or other interest
- Termination of agency
- Commission and fees

Area 3 — Valuation and Market Analysis

Approximately 12% of sales exam & 11% of broker exam

- Value
- Methods of estimating value

Area 4 — Financing

Approximately 13% of sales exam & 13% of broker exam

- General concepts
- Types of loans
- Sources of financing
- How to deal with lenders
- Government programs
- Mortgages/deeds of trust/notes
- Financing/credit laws
- Loan brokerage

Area 5 — Transfer of Property

Approximately 9% of sales exam & 10% of broker exam

- Title insurance
- Deeds
- Escrow
- Reports
- Tax aspects
- Special processes

Area 6 — Practice of Real Estate and Mandated Disclosures

Approximately 24% of sales exam & 27% of broker exam

- Trust account management
- Fair housing laws
- Truth in advertising
- Record keeping requirements
- Agent supervision
- Permitted activities of unlicensed sales assistants
- DRE jurisdiction and disciplinary actions
- Licensing, continuing education requirements and procedures
- California Real Estate Recovery Fund
- General ethics
- Technology
- Property management/landlord-tenant rights
- Commercial/industrial/income properties
- Specialty areas
- Transfer disclosure statement
- Natural hazard disclosure statements
- Material facts affecting property value
- Need for inspection and obtaining/verifying information

Area 7 — Contracts

Approximately 12% of sales exam & 12% of broker exam

- General
- Listing agreements
- Buyer broker agreements
- Offers/purchase contracts
- Counteroffers/multiple counteroffers
- Leases
- Agreements

SECTION X – OUT-OF-STATE APPLICANTS

Each applicant must qualify in the appropriate written examination in California and meet all other requirements. Residency in the State is not a requirement to become licensed. California has no reciprocity with any other state to allow a waiver of any of the requirements to obtain a license.

When applying for the real estate broker or salesperson examination, evidence of completion (i.e. transcripts) of the required education courses from out-of-state institutions is acceptable. The institutions must be accredited by the Western Association of Schools and Colleges or a comparable regional accrediting entity, and each course must consist of three semester units or four quarter-units credit.

Courses completed through foreign institutions of higher learning must be evaluated by a foreign credentials evaluation service approved by DRE. For further information, see *Examination Applicant Foreign Education Information* (RE 223).

Unless prior approval has been granted by the California Real Estate Commissioner, no private vocational real estate school outside the State of California may grant credit for the required prelicense courses.

When applying for an original or renewal license, out-of-state residents must file a *Consent to Service of Process* (RE 234) with DRE. This form must be completed, signed, notarized, and submitted with the original or renewal application.

Brokers must maintain a California business address, if engaging in business in California. If not engaging in business in California, brokers must also file an *Out-of-State Broker Acknowledgment* (RE 235).

Salespersons must be licensed with a California broker, if engaging in business in California.

Note: See also Section XIV (A) – Child Support Obligors and Section XIV (B) – Proof of Legal Presence.

SECTION XI – LICENSE RENEWAL

Licenses are issued for a four-year period and should be renewed prior to the expiration date listed on the license. As a reminder, DRE mails a renewal form to the licensee's mailing address of record approximately 90 days prior to the license expiration date. The form is sent as a courtesy only. Non-receipt of the renewal form **does not** relieve the licensee of the responsibility to renew the license. To help insure delivery of your renewal form you must keep the DRE advised of your current mailing address as required by Commissioner's Regulation 2517. Change your mailing address using the *eLicensing* online system. *eLicensing* automatically changes your address and updates your public license record immediately.

Keep your
mailing address current
using



at
www.dre.ca.gov

A. How to Renew Your License

The secure *eLicensing* online system offers *expedited processing* of salesperson and broker license renewals any time and day of the week. *eLicensing* is easy to use, paperless and interactive. Licensees enter information required for renewal directly into the *eLicensing* system, including the course number and completion date of continuing education courses taken. Continuing education requirements must be completely satisfied in order to renew through *eLicensing* (see Section XI (B) – Continuing Education Requirements). Acceptable methods of payment include VISA, MasterCard, American Express, and Discover credit cards or debit cards bearing a VISA or MasterCard logo.

Renew your
license by using



at
www.dre.ca.gov

Licenses may also be renewed by completing and submitting all of the items listed below:

- Salesperson Renewal Application* (RE 209) or *Broker Renewal Application* (RE 208). **Be sure to read all instructions and information before completing the application. No changes of any kind will be made to an application once it has been received by the DRE.**
- Continuing Education Course Verification* (RE 251).
- Proof of legal presence, if not previously submitted or if you only previously submitted evidence that you are a resident alien with temporary status. Documentation indicating that you are legally present in the United States must be submitted with a completed *State Public Benefits Statement* (RE 205) (see Section XIV (B) – Proof of Legal Presence for further information).
- Applicable fee (see Section VIII – Fees). Acceptable methods of payment include checks or money orders made payable to the Department of Real Estate or credit cards (see *Credit Card Payment* (RE 909) available on the DRE Web site). **Do not send cash.**
- Out-of-State residents must have a *Consent to Service of Process* (RE 234) on file with the DRE. This form must be completed, signed, and notarized.
- Salespersons** must be employed by a California broker, if engaging in business in California.

Brokers must maintain a California business address, if engaging in business in California. If **not** engaging in business in California, brokers must file an *Out-of-State Broker Acknowledgment* (RE 235).

Mail to:

Department of Real Estate
Licensing Section
P.O. Box 187002
Sacramento, CA 95818-7002

Note: See also Section XIV (A) – Child Support Obligors.

On-Time Renewals — You may use *eLicensing* or mail in your completed renewal application 90 days prior to your license expiration date. Your renewal is

on-time if your *eLicensing* transaction is **completed** or your application is **postmarked** before midnight on your license expiration date. If you renew on-time, Business and Professions Code Section 10156.2 permits you to continue operating under your existing license after its expiration date unless notified otherwise by the DRE.

Late Renewals — If you fail to renew your license on-time (prior to your license expiration date), you may renew your license during the two-year late renewal period immediately following your license expiration date. However, **you cannot perform activities requiring a real estate license** until your license has been renewed.

Salesperson licensees who are conditionally suspended for failing to provide evidence of statutory course compliance do not have a late renewal right.

The DRE Web site provides further information about on-time and late renewals.

B. Continuing Education Requirements

All license renewal applicants must prove compliance with the Business and Professions Code (Real Estate Law) and Commissioner's Regulations pertaining to continuing education (CE) requirements. Except for the first renewal of real estate salespersons who filed their original license application prior to 10/01/07, all renewal applicants must satisfactorily complete a total of 45 clock-hours of approved offerings, including the specific subjects shown below, within the four-year period immediately preceding license renewal. The requirements must also be met for each subsequent renewal of the license.

To renew your license, you must complete continuing education requirements. A list of approved continuing education courses is available on the DRE Web site.

1. Salespersons Renewing for the First Time—

Real estate salespersons who qualified by passing the salesperson exam and submitted a license application prior to 10/1/2007, and are renewing an original license for the first time must complete five separate three-hour DRE-approved continuing education courses in *Ethics, Agency, Trust Fund Handling, Fair Housing, and Risk Management*.

2. Brokers Renewing for the First Time — Real estate brokers renewing an original license for the

first time must complete 45 clock hours of DRE-approved continuing education consisting of:

- Five separate three-hour courses in the following subjects: *Ethics, Agency, Trust Fund Handling, Fair Housing, and Risk Management*;
- A minimum of 18 clock hours of consumer protection courses; and
- The remaining clock hours required to complete the 45 hours of continuing education may be related to either consumer service or consumer protection courses.

3. Salespersons and Brokers (who have previously renewed) Second & Subsequent Renewals — Must complete a total of 45 hours of approved continuing education courses which includes:

- **EITHER** 12 hours of continuing education courses in the following subjects: *Ethics, Agency, Trust Fund Handling, and Fair Housing* **OR** one *six-hour* survey course that covers the four mandatory subjects (*Ethics, Agency, Trust Fund Handling, and Fair Housing*)
- One three-hour course in *Risk Management*
- At least 18 clock hours of consumer protection courses; and
- The remaining clock hours required to complete the 45 hours of continuing education may be related to either consumer service or consumer protection courses.

All License Renewals Effective On or After July 1, 2011— Must complete a total of 45 hours of approved continuing education courses which includes:

- **EITHER** 15 hours of continuing education courses in the following subjects: *Ethics, Agency, Trust Fund Handling, Fair Housing and Risk Management*, **OR** one *eight-hour* survey course that covers the five mandatory subjects (*Ethics, Agency, Trust Fund Handling, Fair Housing and Risk Management*)
- At least 18 clock hours of consumer protection courses; and
- The remaining clock hours required to complete the 45 hours of continuing education may be

related to either consumer service or consumer protection courses.

Testing — Real Estate Law provides that all CE offerings will require the successful completion of an appropriate form of final examination in order for the licensee to receive credit.

A student taking a correspondence type offering, including internet offerings, is limited to completion of final examinations for a maximum of 15 credit hours during any one 24-hour period.

Certificate of Completion — Upon successful completion of an offering, the offering entity [DRE approved sponsor] is required to furnish the participant with either an *exam failure notice* or a *certificate of completion*. Evidence of the successful completion of an offering must then be listed on a *Continuing Education Course Verification* (RE 251) (provided by the DRE) and be submitted with the application for renewal of a license. Renewal applications are to be filed no earlier than 90 days prior to the expiration of a license.

- 4. 70/30 Continuing Education Exemption for Long-Time Licensees** — Pursuant to Business and Professions (B&P) Code Section 10170.8, real estate licensees who submit satisfactory evidence to the Commissioner that they are 70 years of age or older and have been “licensees in good standing” for 30 continuous years in California are exempt from the continuing education requirements for license renewal.

A “licensee in good standing” is one who holds an active license which has not been suspended, revoked or restricted as a result of disciplinary action, and has renewed within a two-year late renewal grace period after expiration, without requalification through an examination.

To request a continuing education exemption under B&P Code Section 10170.8, complete a *Continuing Education Extension/Exemption Request* (RE 213) and submit it with your application for license renewal. Include a copy of your birth certificate or driver’s license to verify your age along with supporting documentation which indicates the number of years you have been licensed. Please

note that if you are applying for the exemption for the first time, your renewal application must be submitted by mail or in person. If an exemption has been granted, you may file your renewal application using *eLicensing*.

C. Renewing a MLO License Endorsement

MLO license endorsements expire on December 31st and must be renewed annually by submitting a renewal request/attestation electronically through NMLS along with the appropriate fees, and evidence of completion of 8 hours of NMLS-approved continuing education. The renewal period begins each year on November 1st and ends December 31st. Failing to renew a MLO license endorsement by January 1st results in an existing license endorsement status to be changed to “Terminated - Failed to Renew” and requires the licensee to cease performing all MLO activities.

Additionally, NMLS allows for a renewal to be requested during a “Reinstatement Period,” which begins on January 1st and continues through February. Failing to request a renewal by the end of February results in a license endorsement status to be changed to “Terminated - Expired” and subsequently requires the licensee to obtain a **new** MLO license endorsement.

In order to be eligible to request renewal of a MLO license endorsement, at the time the renewal request is submitted, the license endorsement must be in **one** of the following “Eligible Statuses”:

- Approved, Approved-Conditional, Approved-Failed to Renew, Approved-Inactive and Terminated-Failed to Renew.

Individuals renewing a MLO license endorsement are required to complete **8 hours** of NMLS approved continuing education consisting of the following:

- 3 hours of Federal law and regulations;
- 2 hours of ethics that shall include instruction on fraud, consumer protection and fair lending issues;
- 2 hours of training related to lending standards for the nontraditional mortgage product market; and
- 1 hour of undefined instruction on mortgage origination.

Individuals will **not** be required to complete NMLS approved continuing education (CE) in the same year that they completed NMLS approved pre-license education (PE).

Detailed instructions for renewing a MLO license endorsement are available on the DRE Web site during the NMLS renewal period.

SECTION XII – AVAILABILITY OF REQUIRED COURSES

A. Statutory/Pre-License Courses

1. Courses at Public Institutions of Learning

California institutions of higher learning, recognizing the increasing impact of real estate activities on the general economy of the state and the growing complexities of real estate transactions, have established one of the most outstanding career development and training programs in the nation.

a. Community College System

Most community colleges offer a real estate curriculum. The majority of these colleges offer the courses that are mandatory to obtain a real estate broker or salesperson license, as well as the courses leading to an Associate of Arts degree in Real Estate. In the larger metropolitan areas, a full spectrum of real estate courses, beyond the required courses, offer opportunities in fields directly and indirectly related to real estate. Prospective students should contact their local community colleges for complete information.

b. California University Systems

The University of California and most campuses of the California State University system offer numerous real estate courses as a portion of various degree programs.

c. Foreign Universities

Courses taken at foreign institutions must be evaluated by a DRE-approved credentials evaluation service. Written evidence of the

evaluation must be presented in a manner satisfactory to the DRE. For further information, see *Examination Applicant Foreign Education Information* (RE 223) available on the DRE Web site.

It is the applicant's responsibility to make certain that the choice of courses will satisfy the prerequisites for a real estate license.

2. Courses at Private Schools

A list of approved statutory/pre-license courses is available on the DRE Web site.

Some California private vocational schools also offer statutory courses required of license applicants. Only those schools which have made a formal request, filed an application, and obtained formal approval from the Real Estate Commissioner may offer the statutory courses. Private school courses are normally not transferable for credit at public institutions of higher learning.

Courses offered by out-of-state private schools are not acceptable unless prior approval of the California Real Estate Commissioner has been obtained.

3. Correspondence Courses

For those students who prefer independent study, the University of California (Extension), as well as several California private vocational schools, offer correspondence courses in the required subjects.

No more than two correspondence courses may be completed in any five-week period (one course may be completed in 2.5 weeks). Make certain the private school offering the course is approved by the Real Estate Commissioner and satisfies the statutory course requirements.

B. Continuing Education Courses

A list of approved continuing courses is available on the DRE Web site.

Or, you may request a printed list of all institutions which have been approved to offer specific continuing education courses, including correspondence courses, by sending a check or money order for \$5.00 to:

Department of Real Estate
Education & Research Section
P.O. Box 187009
Sacramento, CA 95818-7009

Please note, the printed list is prepared on a quarterly basis and may not be as current as the list available on the DRE Web site.

SECTION XIII – DRE PUBLICATIONS

A. Real Estate Bulletin

As an informational service to real estate licensees and other interested parties, the Department of Real Estate publishes the *Real Estate Bulletin* on the DRE Web site on a quarterly basis. New issues will be added to the site in mid-March, mid-June, mid-September and mid-December.

B. Real Estate Law

The DRE annually publishes the *Real Estate Law* which contains the full text of the Real Estate Law (from the Business and Professions Code), the Regulations of the Real Estate Commissioner, the Administrative Procedure Act and pertinent excerpts from other California Codes.

The *Real Estate Law* is available in its entirety on the DRE Web site free of charge or may be purchased as a book (which comes with a CD containing PDF files compatible with Adobe Reader). Ordering information is provided in Section XIII (D) – Ordering Publications.

C. Reference Book – A Real Estate Guide

The DRE also publishes the *Reference Book – A Real Estate Guide* which explains practices common to real estate and contains information concerning real estate licensing and examinations; legal, financial and economic aspects of real estate; business opportunities; mineral, oil and gas brokerage; escrows; appraisals and other subjects.

The *Reference Book* is available in its entirety on the DRE Web site free of charge or may be purchased as a book. Ordering information is provided in Section XIII (D) – Ordering Publications.

D. Ordering Publications

All DRE Publications are available on the DRE Web

site. Single copies of the *Real Estate Law* book and the *Reference Book* may be purchased over the counter at any of the Department's District Offices. Acceptable methods of payment include:

- Personal check, money order or cashier's check made payable to Department of Real Estate; or
- VISA, MasterCard, American Express, or Discover; or
- For over the counter sales only, cash.

To order publications by mail or fax, complete a *Publications Request* (RE 350) and submit it with payment to:

Department of Real Estate
Book Orders
P.O. Box 187006
Sacramento, CA 95818-7006
Fax (916) 227-0361

To order publications by phone, have your credit card information ready and call (916) 227-0852. **Please allow 4–6 weeks for delivery by mail.** Orders cannot be processed until payment has been received.

SECTION XIV – ADDITIONAL INFORMATION

A. Child Support Obligor

In accordance with Section 17520 of the Family Code, the DRE is precluded from issuing or renewing a full-term license if the applicant is on a list of persons (obligors) who have not complied with a court order to provide child support payments. The Department of Child Support Services compiles the list which includes all counties in California.

The DRE will issue a 150-day license to an otherwise qualified applicant who is on the list of child support obligors. The DRE will advise the applicant that the license cannot be issued unless a release is obtained from the Department of Child Support Services during the 150 days.

The DRE also receives a supplemental list of obligors who are over four months delinquent in child support payments. The DRE compares this list to all real estate

licensees. If there is a match of an existing licensee and the license is not due for renewal for at least six months, the licensee will be advised that the license will be suspended if the delinquency is not cleared through the appropriate district attorney's office within 150 days. The suspension will remain in effect until the delinquency is cleared.

Commissioner's Regulation 2716.5 requires that a licensee or applicant whose name appears on a certified or supplemental list pursuant to Section 17520 of the Family Code pay DRE a processing fee. See Section VII – Fees.

B. Proof of Legal Presence

All applicants for a real estate salesperson, broker, officer, mineral, oil and gas broker, or prepaid rental listing service license, must submit proof of legal presence in the United States before an original or renewal license can be issued. A proof of legal presence document (i.e., birth certificate, resident alien card, etc.) must be submitted with a *State Public Benefits Statement* (RE 205) Additional information is provided in *State Public Benefits Statement Information* (RE 205A).

If you have already submitted proof of citizenship or permanent resident alien status to the DRE, you will not be required to submit proof of legal presence again. If you have **only** submitted evidence that you are a resident alien with temporary status, you must submit proof of legal presence with your next application.

C. 500 Largest Tax Delinquencies

Effective July 1, 2012, in accordance with Section 494.5 of the Business & Professions Code, DRE is precluded from issuing, reactivating, reinstating, or renewing a full-term license, and is required to suspend a license if a licensee's name is included on the list of the 500 largest tax delinquencies pursuant to Section 7063 or 19195 of the Revenue and Taxation Code. Pursuant to the above provisions, the State Board of Equalization and the Franchise Tax Board compile their own lists of the 500 largest tax delinquencies and each is required, as specified, to submit its respective "certified list" to DRE.

If an applicant or licensee is on either of the certified lists, the DRE must provide a preliminary notice to the applicant or licensee of the department's intent to suspend or withhold issuance or renewal of a license.

The DRE must also provide an applicant or licensee a form to request a release by either the State Board of Equalization or the Franchise Tax Board. The DRE will issue a 90-day license to an otherwise qualified applicant who is on either list of the largest tax delinquencies. The DRE will refuse to issue or suspend a license no sooner than 90 days and no later than 120 days of the mailing of the preliminary notice.

D. Branch Managers (SB 510)

Effective July 1, 2012, in accordance with Section 10164 of the Business & Professions code, employing brokers or corporate designated officers may appoint a licensee as a manager of a branch office location. An appointment of a branch office manager must be made by means of a written contract in which the manager accepts the delegated responsibility. The employing broker or corporate designated officer is required to retain a copy of this contract and send a notice, approved by the Commissioner, to DRE identifying the appointed manager and the branch office or division the manager is appointed to serve.

In order for a licensee to be eligible to be appointed as a branch manager the licensee must not hold a restricted license, have never been subject to an order of debarment, and if a salesperson, must have at least two years full-time real estate experience within five years preceding the appointment.

E. Partnerships

No formal partnership licenses are issued by the DRE; however, partnerships exist in the real estate business, and members of a partnership performing activities requiring a license must be licensed. Licensed members of a partnership (formed by written agreement) may operate from branch offices of the partnership without obtaining an individual branch office license, provided one broker-member of the partnership is licensed at that location.

A salesperson may perform acts on behalf of a partnership (formed by written agreement), provided the employing broker is a member of the partnership. The partnership may not include a salesperson who is licensed in the partnership's employ. A salesperson may work out of any branch office maintained by any one of the member brokers, but may only be in the employ of one broker at a time.

F. Certified License Histories

Public license records are available on the DRE Web site.

A certified license history may be requested for any licensee by submitting a fee (see Section VII – Fees) and a *Certified License History Request* (RE 293), available on the DRE Web site. If specifically requested, information beyond the preceding five year period will be provided. The certified license history will also contain the date first licensed taken from the licensee's master file record. If the information is needed for another state, the name of the state and the mailing destination should be included in the request.

Educational requirements submitted to qualify for and obtain a license will not be provided on a certified license history.

Note: A certified license history should not be submitted by broker examination applicants to substantiate work experience requirements.

Submit the request to:

Department of Real Estate
Attn.: Licensing
P.O. Box 187000
Sacramento, CA 95818-7000

Please check the DRE Web site for current processing timeframes.

G. Do's and Don'ts for Examination Applicants

- DO** complete the application form correctly and fully, using your legal name. Any misrepresentations or missing items may result in a delay in being scheduled for examination or disqualification from the examination. If you have completed the required education courses, submit transcripts with your application. The name listed on your transcripts should match your name listed on your examination application. If a name change has occurred, supporting documentation such as a marriage certificate or copy of your driver's license must be submitted.
- DO** submit your application **once only**. Submitting duplicate applications by mail, fax and/or *eLicensing* may result in extra fees and delays.

- DO** use the *eLicensing* online system to inform the DRE of any change in your examination mailing address. Changes may also be submitted in writing at the examination site; using the *Salesperson Examination Change Application* (RE 415A) or the *Broker Examination Change Application* (RE 415B).
- DO** check available examination dates and view a list of examination sites on the DRE Web site to find out when and where the DRE is scheduling examinations. Please keep in mind that a particular examination may be filled by the time your application is processed.
- DO** wait the amount of time indicated on the DRE Web site to receive notification of your examination date, time and location. If you have not received your notice within the application processing timeframes listed on the DRE Web site, please check to see if an examination has been scheduled for you using *eLicensing*. If you have been scheduled but have not received, lost or misplaced your *Examination Schedule Notice* (RE 401A), you can request a duplicate using *eLicensing*. If you haven't been scheduled or received a deficiency notice within the published processing timeframe, call the DRE Examination Section at 877-373-4542.

Don't send cash.

Don't apply for examination if you are not prepared to take it. Unless otherwise requested, you will be scheduled for the first available examination date on or after the date you indicated on your application.

Don't expect a refund or credit for any fees submitted.
Fees are nonrefundable per Business and Professions Code Section 10207.

H. Tips for a Smooth Licensing Transaction

The Department's Licensing Section receives and processes a high volume of documents for various licensing transactions, including original and renewal license applications and change notices. Processing times can increase when documents submitted are unacceptable because they are not properly completed.

The following are some common problems that are found in documents submitted to the Licensing Section for processing. To avoid these problems altogether, use the *eLicensing* online system whenever possible.

- ❑ **Incorrect fees** — From time to time, fees change. Prior to submitting your application, please check to ensure you enclose the proper fee.
- ❑ **Incomplete documents** — One common problem that causes delays in processing is the submission of unsigned or incomplete forms. To avoid processing delays, applicants should **carefully read all instructions** that accompany all forms and ensure that all required information on each form is properly and legibly completed. In addition, applicants should ensure that forms are legibly signed by the required parties.
- ❑ **Processing timeframes** — Before you call to check the status of your application, please allow sufficient time for processing in accordance with the current processing timeframes published on the DRE Web site. You can also check your license status on the DRE Web site.
- ❑ **Renewal processing** — As a courtesy, renewal applications are automatically mailed to licensees approximately 90 days prior to their license expiration date. In order for a license application to be considered on-time, the application must be postmarked on or before the license expiration date.

Licensees may use the *eLicensing* online system to renew their licenses up to 90 days prior to their license expiration date. Using *eLicensing* is a faster, paperless way to renew your license.

Section 10156.2 of the California Business and Professions Code provides that licensees who submit a renewal application and fee in good faith prior to their license expiration date are entitled to continue operating until such time as they either receive a renewed license certificate, or until they are notified that their renewal application is deficient. This provision was put in place because of the potential for processing delays which would otherwise prohibit an individual who submitted an on-time renewal application from operating until the application is processed.

- ❑ **Legal presence requirement** — Ensure that

you submit an appropriate document establishing legal presence in the United States, together with a properly completed *State Public Benefits Statement* (RE 205), with your original or renewal license application.

- ❑ **Mailing address changes** — Many licensees fail to notify the Department of a change in their mailing address, although required to do so by Commissioner’s Regulation 2517. Without a proper mailing address, the Department is unable to provide the licensee with important information, such as a courtesy reminder that a license is due for renewal. You may change your mailing address using the *eLicensing* online system which immediately updates the DRE database and your public license record. Or, you may submit a *Salesperson Change Application* (RE 214), *Broker Change Application* (RE 204), or *Corporation Change Application* (RE 204A) to the Licensing Section.

I. Help Avoid Denial of Your License Application

Prior to license issuance, the DRE completes detailed background checks on all license applicants. This includes the receipt and review of fingerprint reports from the Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI). The DRE also receives reports on criminal violations committed after license issuance, which may result in disciplinary action being taken against the real estate license.

Failure to disclose any pertinent information may result in denial of your license application and/or delays.

License applicants **must** provide accurate, complete and detailed information regarding:

- Any disciplinary action taken against a business or professional license EVER; and
- Any order to cease, desist and/or refrain from doing an act(s) or citations for breach of ethics or unprofessional conduct EVER; and
- Any criminal convictions (includes DUIs, misdemeanors, felonies, etc.) EVER; and
- Any criminal charges pending at the time you submit your application EVER; and
- Any requirement to register as a sex offender EVER; and

- Any plea of guilty, nolo contendere or no contest to any violation of law in a state, military or federal court EVER.

Answer truthfully and completely!

Read the questions on the application carefully and answer truthfully and completely. Provide **ALL** information requested. **Failure to disclose disciplinary actions or crimes which occurred in your entire history** may be considered an attempt to obtain a license by fraud or misrepresentation and **could result in the denial of your license application**. Irrespective of any advice that may be received from others, the license applicant alone is responsible for disclosing accurate and complete information.

When in doubt, disclose!

In the event you have one or more offenses to report, please take extra care to **disclose all actions and convictions regardless of how long ago they occurred, or whether or not a conviction has been expunged** under Penal Code Section 1203.4, or a similar statute. The failure to disclose charges/convictions will result in **substantial delays** in the processing of your application and may also result in **denial** of the license application.

“Convicted” includes a verdict of guilty by a judge or jury, a plea of guilty, a plea of nolo contendere, or a forfeiture of bail in the courts (including military courts) of any state, commonwealth possession or country). **All convictions must be disclosed no matter how long ago they occurred, even if the plea or verdict was set aside, the conviction was dismissed or expunged or you have been pardoned. Convictions occurring while you were a minor (under 18 years of age) must be disclosed** unless the record has been sealed under Section 1203.45 of the California Penal Code or Section 781 of the California Welfare and Institutions Code.

Carefully review your **entire history** and provide complete and accurate information.

J. DRE Web Site

The Department provides forms, instructions, public licensing information, publications and more on the DRE Web site www.dre.ca.gov.

K. DRE Contact Information

Sacramento (principal office) — 877-373-4542
2201 Broadway
Sacramento, CA 95818

<i>Mailing Address</i>	<i>PO Box</i>	<i>Zip Code</i>
General Mail	187000	95818-7000
Examinations	187001	95818-7001
Original Licenses	187002	95818-7002
Sales Section	187003	95818-7003
Broker Section	187004	95818-7004
NMLS	187008	95818-7008
Education & Research	187009	95818-7009

Fresno — (559) 445-6153
2550 Mariposa Mall, Suite 3070
Fresno, CA 93721-2273

Los Angeles — (213) 620-2072
320 West 4th Street, Suite 350
Los Angeles, CA 90013-1105
Spanish Language Call Center - (213) 576-6878

Oakland — (510) 622-2552
1515 Clay Street, Suite 702
Oakland, CA 94612-1462

San Diego — (619) 525-4192
1350 Front Street, Suite 1063
San Diego, CA 92101-3687

L. Privacy Information

Personal and public information is collected to accomplish the lawful purpose of the Department, such as to identify an individual when issuing a license, gather evidence in an investigation or conduct an audit of a real estate brokerage operation.

The Department's information management practices are consistent with the Information Practices Act (Civil Code Section 1798 et seq.), the Public Records Act (Government Code Section 6250 et seq.), Government Code Sections 11015.5 and 11019.9, and with other applicable laws pertaining to information privacy.

Additional information on personal privacy protection can be obtained from the California Office of Privacy Protection at www.privacy.ca.gov; 1-866-785-9663.