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Bureau of Commercial Services
Licensing Division
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INFORMATION REGARDING EDUCATIONAL CREDIT FOR REAL ESTATE BROKER LICENSE APPLICANTS

STATUTORY REQUIREMENTS

Section 2504(1) of the Occupational Code, P.A. 299 of 1980, as amended, requires an applicant for a real estate broker's license to complete not less than 90 clock hours of approved classroom courses in real estate, of which not less than 9 clock hours shall be instruction on civil rights law and equal opportunity in housing. The 90 hours shall be in addition to those required to obtain a real estate salesperson's license.

Rule 203(1) states that "an applicant for a broker or associate broker license shall have completed qualifying prelicensure education requirements not more than 36 months before the date of application, unless the applicant has held a license as a salesperson for that intervening period."

The intervening period is viewed as the period immediately prior to application as far back as the salesperson has been continuously, actively licensed. Continuously licensed means paying the renewal fees and completing the required CE prior to license expiration. Actively licensed means a license that has not been in escrow status or allowed to expire, even briefly.

Rule 643 states that an individual who has undertaken and completed instruction in the principles of real estate at a college or university accredited by a nationally recognized accrediting agency may submit suitable documentation for consideration as course credit toward broker licensure.

MANDATORY COURSEWORK

Each broker license applicant must complete, as part of the mandated 90 clock hours, a 30-hour broker principles (broker preparation or "broker prep") of real estate OR a 40-hour salesperson fundamentals of real estate course. Since the statute clearly intends that the 90 hours of education be "in addition to" hours required of a salesperson, the Department has placed certain restrictions on repeating fundamentals courses. The following applies:

- A. For applicants who have never held a Michigan salesperson's license, the 90 hours must contain either a 30-hour broker principles course (broker preparation or "broker prep") or a 40-hour salesperson fundamentals course. The remaining hours may be either broker specialty courses or equivalent college/university courses (or credit for a degree).
- B. For applicants who *passed the first* Michigan licensing examination prior to March 29, 1985, and who have been continuously licensed as a salesperson prior to broker application, a 30-hour broker basic or 40-hour fundamentals course may: (1) be included as part of the 90 hours, and (2) fulfill the broker basic/salesperson fundamental course prerequisite. The remaining hours must be either broker specialty courses or equivalent college/university courses (or credit for a degree).

CIVIL RIGHTS INSTRUCTION

Broker applicants must complete 9 hours of instruction in civil rights and equal opportunity in housing laws. If requested, applicants obtain from the school, in a signed letter, verification of the number of civil rights clock hours taught within the course.

APPROVED EDUCATION

The following describes the types of courses and course combinations applicants may consider in seeking prelicensure educational credit or in applying their existing coursework to the broker requirements.

Michigan Real Estate Schools

Maximum Credit:	The entire number of clock hours may be obtained through courses offered by Department-approved entities known as "proprietary real estate schools". These schools are also approved by the Department pursuant to 1943 PA 148, as amended.
Time or Location of Constraints:	Courses must have been approved in Michigan at the time they were completed. Also see Rule 203(1).
Submission Requirements:	Certificates of completion provided by the approved school should accompany the application or be forwarded at course completion. The Department only authorizes credit toward licensure upon receipt of certificates.
Other Requirements:	Explained under "Mandatory Coursework" on the first page. Courses completed to obtain a salesperson's license <i>cannot</i> be part of the 90 clock hours required by Section 2504(1). A 40-hour real estate fundamentals or 30-hour principles of real estate (broker preparation or "broker prep") course cannot be credited twice, even if taken from different, approved schools <u>unless 36 months has elapsed between the end of the first course and commencement of the second</u> . Rule 203 also applies.

Out-of-State Proprietary Schools

Courses completed in out-of-state proprietary real estate schools are not acceptable for credit. However, if courses were taken under the auspices of a college or university for college credit, see "College or University Courses" on page 3.

Attorney at Law

Maximum Credit:	60 clock hours for law degree with an implied six (6) hours of civil rights instruction; Rule 203(2)
Time or Location Restraints:	Rule 203(1)
Submission Requirements:	Transcript clearly showing the name of the institution, degree granted, and date.
Other Requirements:	At least one Michigan approved 30-hour principles of real estate (broker preparation or "broker prep") course or 40-hour real estate fundamentals, which contains a minimum of three (3) hours of civil rights instruction.

Baccalaureate or Masters Degrees

Maximum Credit:	30 clock hours with three (3) hours of implied civil rights instruction for any college degree. If used, additional credit cannot be obtained from college courses (see "College or University Course" on page 3)
Time or Location Constraints:	Rule 203(1)
Submission Requirements:	Transcript clearing showing the name of the institution, degree granted, and date.

Other Requirements: 60 hours of approved real estate education, which contains a minimum of six (6) hours of civil rights instruction. One course must meet the requirements described under "MANDATORY COURSEWORK".

Credit for specific college or university courses is listed under "College of University Courses- - In-State or Out-of-State"

MBA Rule 203(3)(b) grants 60 clock hours for a master's of business administration degree. The Department grants three (3) hours of civil rights instruction for an MBA. Submit a diploma or transcript clearly identifying the institution of higher learning, the date conferred and identification of the degree as an MBA.

College or University Courses - - In-State or Out-of-State

Maximum Credit: 60 clock hours with civil rights credit determined only on a course-by-course basis. Only applicable if 30 hours for degree was *not* used.

Time or Location Constraints: Rule 203(1)

Submission Requirements: Transcript which clearly identifies the institution, course(s), 3 or 4 credit hours, and date of satisfactory completion of the course(s).

A maximum of 60 hours credit may be obtained for completing courses listed in Group A or B (Section 2504[3]):

GROUP A	GROUP B
(Maximum of one 30 hour course)	(Maximum of 60 hours, which may include one course from Group A)
Accounting	Appraisal, real property
Business Administration	Building and Construction
Business Math	Law Courses:
Community Planning: Assessment Zoning	Business Law Contract Law Real Property Law Related Regulatory Law (Securities)
Economics	Federal/Michigan Tax
Engineering	Property Management
	Real Estate Financing
	Real Estate Investment
	Securities and Syndication

Course duplications are not acceptable (e.g., to accumulate 60 clock hours, two 3 credit college accounting courses cannot be used to total 60 clock hours, but a combination of one 3-credit accounting course and one 3-credit real estate investments course would grant the applicant 60 clock hours toward the 90). NOTE: 1 college credit is worth 10 clock hours if institution is on term schedule; or 15 clock hours if institution is on semester schedule.

Other Requirements: See prerequisite "MANDATORY COURSEWORK" explanation on first page.

Only college or university courses listed in column A and B will be considered for credit *without* pre-approval by the Department. A "broker prep" course conducted by a college needs Department review and approval to be acceptable.

No credit is given if the course is listed on the transcript as a conference or a seminar, with pass/fail grade.

Adult Education Courses through Colleges/Universities

Maximum Credit: 60 clock hours, with civil rights determined by the institution on a course-by-course basis. Adult Education approval must follow Department-established criteria.

Time of Location Constraints: Rule 203(1)

Submission Requirements: Certificate or Letter of Completion, provided by the college/university adult education department. Must include name of institution, course(s), 3 or 4 credit hours and date of satisfactory completion of the course(s); and any civil rights and equal opportunity in housing credit hours deemed earned by the institution.

A maximum of 60 hours credit may be obtained for courses of study in areas listed under "College or University Courses - - In-State or Out-of-State."

Other Requirements: College/university departments of adult continuing education must comply with Department-established criteria. Please contact schools for requirements.