

Michigan Department of Labor & Economic Growth  
Bureau of Commercial Services  
Licensing Division  
REAL ESTATE  
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[www.michigan.gov/realestate](http://www.michigan.gov/realestate)

## **YOUR REAL ESTATE BROKER LICENSE APPLICATION** ***An Applicant's Guide***

### **Background**

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

### **License Types**

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

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

### **When to Apply**

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

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

### **Experience**

A minimum of three years of full time experience in real estate is required. Experience may be earned in the following manner. Forms required for reporting earned experience are listed and available on the Department's website.

- ▶ **Licensed Salesperson**  
One year of experience credit is granted when a minimum of 6 sales has been conducted in a 12-month period. Verification of Real Estate Experience form (BCS/LRE-011). This form is completed by your current and/or previous employer broker(s) in this or other states. It verifies sales and other activity while licensed.
- ▶ **Licensed builder, land developer, or property manager**  
Verification of Relevant Related Experience for Broker Applicants form (BCS/LRE-031 and BCS/LRE-032).
- ▶ **A field related to real estate, e.g., loan or trust officer of a bank, mortgage company or title company.**  
Submit letter from employer verifying position held, level of responsibility, inclusive employment dates, etc.

- ▶ Attorney  
Broker Licensure Requirements for Attorneys-at-Law and Instructions for Application form (BCS/LRE-033 and BCS/LRE-034).
- ▶ Appraiser  
Verification of Appraisal Experience form (BCS/LRE-030).

### **Education**

#### ***90 clock hours of approved broker level education are required.***

- ▶ Hours must be in addition to those that were required to obtain a salesperson license.
- ▶ All courses must have been completed within 36 months prior to license application unless applicant has been continuously licensed as a real estate salesperson from the time the education was completed to present.
- ▶ Nine (9) of the 90 hours must be in civil rights law and equal opportunity in housing instruction.
- ▶ At least 30 of the 90 hours must be a broker preparation or broker basic class.
- ▶ Certain college courses may apply. Lists of approved courses (including college courses) and schools are available from the Department and on the website. (BCS/LRE-012)

### **Education Verification to attach to your application**

- ▶ Broker preparation (broker basic) class – 30 Hours  
attach a copy of course completion certificate
- ▶ 60 hours of additional approved broker courses  
attach copies of course completion certificates.
- ▶ Law Degree (60 of the 90 hours and 6 hours of civil rights and fair housing)  
attach copy of diploma or college transcript.
- ▶ MBA (60 of the 90 hours is granted – no civil rights hours)  
attach copy of diploma or college transcript; must say Masters of Business Administration
- ▶ College Courses  
attach transcript showing which course(s) are being used for credit.

### **Additional Attachments**

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

► Conviction History

If the applicant has been convicted of a crime for which he or she could have gone to jail, the Request for Conviction History form (BCS/LCE-020) can accompany the application to save processing time.

### **About the License Application Form**

The Individual Broker (BCS/LRE-010) and Associate Broker (BCS/LRE-020) applications are separate forms.

Application for Associate Broker: If you are applying for an Associate Broker license, this means you will be affiliated with another broker (e.g., the employing broker is a corporation/franchise company and you will be an Associate Broker to that company). Complete the associate broker application.

Application for Individual Broker (sole proprietorship): If you are applying for an Individual Broker license, complete the Individual Broker license application. Attach any required documentation (e.g., d/b/a/ Certificate).

Application for Broker and Associate Broker: If you want to hold both an individual and associate broker license, simply complete both forms and pay two fees.

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

### **Questions and Answers**

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

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

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

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

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

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

Q. *Can associate brokers transfer?*

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

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

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

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

A. The only convictions specified in the statute for which a license may NOT be issued is embezzlement or misappropriation of funds (see Section 2505(2) of the Code). All other convictions are reviewed based on whether the offense is related to the practice of real estate and whether it could impact the applicant's ability to practice in a fair, honest, and open manner. A license denied by the department may be appealed to the Board of Real Estate Brokers and Salespersons.

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

A. The Candidate Information Bulletin, printed and distributed by Psychological Services, Inc. (PSI). PSI, provides all exam information. Contact them at 1-800-733-9267. You can register on-line at [www.psiexams.com](http://www.psiexams.com).

