State of California
Department of Real Estate

Instructions to License Applicants

January 2002

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Department of Real Estate

Instructions to License Applicants

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This booklet was revised in January 2002. Some information contained herein may now be obsolete. If it is over one year since the above publication date, a more current version may be obtained from:

Department of Real Estate
Publications
P.O. Box 187000
Sacramento, CA 95818-7000
www.dre.ca.gov

CONTENTS

This booklet contains instructions on how to obtain an original real estate license and renew an existing license. The first five sections of this booklet deal with each type of license issued by the Department of Real Estate (DRE). Following these are sections of additional information that apply to some or all licensees and license applicants.

Thoroughly read the Licensing Section and Additional Information Sections that applies to you.

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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 control and 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, in this instance, no licensed real estate activity may be performed. 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* book. See Section XII DRE Publications.)

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

1. ***Age*** — To apply for a salesperson license, you must be 18 years of age or older.

2. ***Residence*** — Refer to Section IX Out-of-State Applicants.

3. ***Honesty*** — License applicants must be honest and truthful. Conviction of a crime which is either a felony or involves moral turpitude may result in the denial of a license. License applicants must disclose all prior criminal convictions. Failure to reveal a criminal conviction on an original license application may also result in denial of a license.

4. ***Education*** — Evidence of successful completion of a three semester-unit or four quarter-unit college-level course in Real Estate Principles is required to take the salesperson examination. See notes on pages 2 and 3.

   Either with the examination or license application or within 18 months after the issuance of a salesperson license, the licensee must furnish official transcripts or certification with school seal confirming successful completion of two additional three semester-unit or four quarter-unit college-level

courses selected from among the following:

- Real Estate Practice
- 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

Note: Members of the bar of any state in the United States or graduates of law schools recognized by the California State Bar will generally qualify on the basis of their education, and as such are exempt from the college-level course requirements. Evidence of admission to practice law, such as a photocopy of both sides of a current State Bar membership card, or of an LL.B. or J.D. Degree should accompany the application.

Applicants who submit evidence of having completed the eight statutory college-level courses required for the broker examination are eligible to take the salesperson examination without providing further evidence of education or experience.

If you have completed all three of the required courses at the time you apply for the examination, you should submit all three course transcripts with the initial examination application and fee.

If only the Real Estate Principles course has been completed, the other two course transcripts may be submitted:

a. When submitting the original license application and fee, or

b. Within the 18-month period following the issuance of the original license.

If transcripts for the additional courses are submitted with the original license application, the standard license fee will apply. If the transcripts are not submitted along with the original license application, an additional fee for processing an 18-month conditional license will be required (see Section VI License Fees).

Allow sufficient processing time (at least three weeks) to receive the non-conditional license certificate that is issued if the transcripts for the two additional courses are acceptable.

Failure to submit transcripts of the two additional required courses within the initial 18-month license period will result in automatic suspension of the conditional license. The suspension shall be effective 18 months after issuance, and shall not be lifted until evidence of course completion has been submitted and DRE has mailed notification that the suspension has been lifted. If the transcripts for the two additional courses are not submitted **within four years** of the license issuance date, the license will not be renewed and it will be necessary to requalify through the examination process if you wish to be licensed as a salesperson again.

Note: Each college-level course must be a minimum of three semester-units or four quarter-units. The Real Estate Principles course must be completed prior to being scheduled for an examination. Copies of official transcripts are generally acceptable evidence of completed courses. Transcripts of equivalent courses, submitted in lieu of the statutory college-level courses, must be supported by an official course or catalog description in order to be evaluated for equivalency.

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 Health, Education and Welfare, Office of Education, or by a private real estate school which has had its courses approved by the California Real Estate Commissioner. 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 (see Section XI 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. [Refer to Examination Applicant Foreign Education Information (RE 223).]

5. ***Experience*** — None required.

C. How to Apply for the Salesperson Examination

Note: Initial examination scheduling is not arranged by telephone.

1. Complete an original Salesperson Examination Application (RE 400A). **No changes of any kind will be made to an application once it has been received by DRE.**

   Do not submit more than one examination application.

   You may not apply to take an examination for a license for which you already have a right of renewal (see Section X License Renewal).

2. Determine the appropriate fee for the application (see Section VI License Fees).

   Checks or money orders should be made payable to the Department of Real Estate. Do not send cash.

   DRE accepts credit card payment for scheduling of an original examination if the application is submitted by mail or fax. For credit card usage and fax information, call (916) 227-0900. The fax number is (916) 227-0925 (available 24 hours).

3. Obtain an official transcript of the required course in Real Estate Principles (plus two additional courses, if completed).

4. Applicants with physical limitations requiring special accommodations must submit a physician's letter with the application to verify the nature of the physical limitations. The DRE's ability to honor special requests is limited by scheduling constraints and cannot be guaranteed.

5. Mail the completed application, official transcript(s) or copy of official transcript(s), and appropriate fee to:

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

6. Wait approximately four weeks for notification of your examination date, time, and location. This information will be sent to you on an Examination Schedule Notice (RE 401A). If you have not received your notice within four weeks, please phone

the DRE Examination Section at (916) 227-0900. If you have a Touch-Tone telephone, you will be able to access your scheduled examination date through an interactive voice response system or by visiting our Web site at **www.dre.ca.gov**. From our Web site you will also be able to access a calendar reflecting examination dates currently being scheduled; however, since DRE accepts examination reservations via phone, fax, and mail, a particular examination may be filled by the time your examination application is submitted and processed.

If you are not qualified at the time you submit your application and fee, you will be notified in writing and you will have **two years** from the date of receipt of the application in which to complete the qualifications and take the examination. If you do not qualify for and pass the examination during the two-year period, the application will expire and you will need to resubmit necessary qualifying material with the appropriate application and fee.

D. Rescheduling an Examination

If you do not take the examination on the date scheduled, or wish to change your scheduled date, you may apply for another examination date by completing, signing and returning the Examination Schedule Notice (RE 401A) to the address shown below.

If the RE 401A has been lost, the rescheduling request can be made on an Examination Change Application (RE 415A).

The first request for a new examination date must be accompanied by a fee of $15. A fee of $30 is required for the second and subsequent rescheduling applications.

All rescheduling requests accompanied by check or money order should be mailed to:

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

DRE also accepts credit card payment for rescheduling of an examination by phone, fax, or mail. For credit card usage and fax information, call (916) 227-0900. The fax number is (916) 227-0925 (available 24 hours).

From our Web site at **www.dre.ca.gov**, you will be able to access a calendar reflecting examination dates

currently being scheduled; however, since DRE accepts examination reservations via phone, fax, and mail, a particular examination may be filled by the time your examination application is submitted and processed.

E. 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 delay in obtaining an examination date or disqualification from the examination. Transcripts should accompany your initial application. The name listed on the transcript should correspond with the name listed on the examination application. If a name change has occurred, supporting documentation such as a marriage certificate or DMV print out should also be submitted.

Do inform the Department of any change of your mailing address. Any changes must be submitted in writing at the examination site or via a letter.

Don't send cash.

Don't apply for an examination if you are not prepared to take it. You will be scheduled for the first available date on or after the date indicated on the application.

Don't submit legal presence documentation or fingerprint information with your examination application.

Don't send duplicate faxes for the same transaction. This may result in your account inadvertently being charged twice and an unintentional rescheduling of an examination date.

Don't expect a refund or credit for any fees submitted. The Business and Professions Code prohibits refunds of application fees.

F. Taking the Examination

General Information — The maximum time allowed to take the salesperson examination is a single 3-hour 15-minute session.

The examination is a multiple choice format; that is, you select a response from four choices of answers (see Section VIII for a description of examination content).

You are permitted to bring for your use during the examination a silent, battery-operated, electronic, pocket-size calculator that does not have a print

capability or an alphabetic keyboard.

Examination Security — Because of the need to ensure confidentiality of examinations, you cannot inspect your book or answer sheet after the examination session has ended. (Section 1798.40(e) of the California Civil Code)

Note: Section 496 of the Business and Professions Code provides that a license may be denied, suspended, revoked or restricted on grounds that an applicant or licensee has subverted or attempted to subvert any licensing examination. The subverting of any examination includes: 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.

G. Notification of Examination Results

Examination results will be **mailed** to you, normally within five working days after the examination. If you have a Touch-Tone telephone, you will be able to obtain your examination results through an interactive voice response system by calling the Examination Section at (916) 227-0900 or by visiting our Web site at **www.dre.ca.gov**. Please wait at least three working days after you have completed your examination before calling this number.

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 will receive an application for a license (see I below).

You will be notified of the actual score, and the percentage of questions answered correctly in each of the subject areas, only when unsuccessful. (The overall score cannot be obtained by averaging the percentages.) Those who do not receive a passing grade may apply for reexamination (see H below).

H. Reexamination

You may not apply for a reexamination until **after** notification of failure of a prior test. If you fail an examination, you may use the Examination Result Notice (RE 418A) to apply for a new examination date.

If you are unable to locate your result notification, you may use an Examination Change Application (RE 415A) to apply for a re-examination. This form must not be submitted until **after** the results of the

examination have been released, or the fee will be forfeited.

Requests for reexamination accompanied by check or money order should be mailed to:

Department of Real Estate
Examination Section
PO Box 187001
Sacramento CA 95818-7001

DRE also accepts credit card payment for scheduling of a reexamination by phone, fax or mail. For credit card usage and fax information, call (916) 227-0900. The fax number is (916) 227-0925 (available 24 hours).

From our Web site at **www.dre.ca.gov**, you will be able to access a calendar reflecting examination dates currently being scheduled; however, since DRE accepts examination reservations via phone, fax, and mail, a particular examination may be filled by the time your examination application is submitted and processed.

There is no limitation on the number of reexaminations you may take during the two-year period following the date of the filing of the original application. If you wish to take additional examinations after the two-year period, you must make a completely new application as described in Section IC.

I. Once You Pass the Examination

After passing the examination, you will be sent a Salesperson License Application (RE 202). Within one year of the examination date this form must be completed and returned along with the appropriate fee and a completed Live Scan Request form (RE 237). Out of state applicants must submit two sets of fingerprints in ink using FBI Applicant Card (FD-258 Rev. 5/99). (See Section VII Fingerprint Requirement.)

If you have completed the two additional required real estate courses, you may submit transcripts with your license application.

An out-of-state applicant must also submit a completed and notarized irrevocable Consent to Service of Process (RE 234). (Refer to Section IX Out-of-State Applicants for further information.)

J. Proof of Legal Presence

All original license applicants must submit proof that they have legal presence in the United States. An

acceptable proof of legal presence document (i.e., birth certificate, resident alien card, etc.) must be submitted with a State Public Benefits Statement (RE 205) before a license will be issued.

Note: See also Sections XIIIA Child Support Obligors and XIIIB Proof of Legal Presence.

SECTION II
REAL ESTATE BROKER LICENSE

A. Minimum Requirements for the Examination

All qualification requirements must be met before you can be scheduled for a broker examination. DRE evaluation of claimed experience or education will **not** 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:

- Broker Examination Application (RE 400B).
- The appropriate fee for the application. (See Section VI License Fees)
- Transcripts of your college courses and/or degree. Because of delays in obtaining college transcripts, a student applicant should make arrangements with the college well in advance.
- Copy(s) of catalog description (for the year(s) of attendance) of any courses that you wish to substitute for the statutorily required courses.
- Employment Verification form (RE 226). (See *licensed experience defined* below)
- Equivalent Experience Verification form (RE 227). (See *equivalent activities in lieu of experience* below)

If you are not qualified at the time you submit your application and fee, you will be notified in writing and you will have **two years** from the date of receipt of the application in which to complete the qualifications and take the examination. If you do not qualify for and pass the examination during the two-year period, the application expires and you will need to resubmit necessary qualifying material with the appropriate application and fee.

1. ***Age*** — To apply for a license you must be 18 years of age or older.

2. ***Residence*** — Refer to Section IX Out-of-State Applicants.

3. ***Honesty*** — License applicants must be honest and truthful. Conviction of a crime which is either a felony or involves moral turpitude may result in denial of a license. License applicants must disclose all prior criminal convictions. The failure to reveal a criminal conviction on an original license application may also result in the denial of a license.

4. ***Education*** — Applicants for a real estate broker license examination must have successfully completed the following statutorily required college-level courses:

   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

   *If applicant completes both General Accounting and Real Estate Economics, only two courses from group "f" are required. Qualified broker applicants who have completed the above statutorily required college-level courses are eligible to take the salesperson examination without providing further evidence of education or experience.

   Note: 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. Copies of official transcripts are generally acceptable evidence of completed courses. Transcripts of other courses, submitted as an 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.

Broker qualification 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. 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 (see Section XI 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 (refer to RE 223).

5. ***Experience*** — A minimum of two years full-time licensed salesperson experience within the last .five years or the equivalent is required.

   a. **Verification of licensed sales experience**

      The fact that you have held a salesperson license for two years does not, under the law, 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. These certifications must be made using the Employment Verification form (RE 226), which is included in the broker examination application package. **Letters of recommendation will not suffice.** Further, this experience must have been gained sometime during the five years immediately preceding the date of the application.

      You may contact the Licensing Information Section of DRE for the broker's current address of record.

      If it is **absolutely** impossible to obtain verification of employment from a former employing broker, you must still complete the Employment Verification form (RE 226) 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 Certifications (RE 228) from persons who work in a related professional capacity and who are in a position to attest to your experience and activity. An Employment Verification form and two Employment Certification forms are required for each separate employment when the actual employing broker is not able to verify employment.

When submitting the Employment Verification form (RE 226) and the Employment Certification forms (RE 228), 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 which 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).

4) You may qualify with only one year of full-time California real estate salesperson employment (gained within five years prior to the date of application) if, in addition to the one year, you have had at least two years of full-time California licensed employment accumulated more than five years, but less than twelve years prior to the date of application.

c. **Education in lieu of experience**

1) ***Four-year degree***

An applicant with a four-year degree from an accredited college is 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 statutorily-required courses at the time of filing the application. The eight required courses 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 DRE. (Refer to RE 223.)

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

a) Members of the bar of any state in the United States will generally qualify on the basis of their education and experience, and are statutorily exempt from the college-level course requirements. Evidence of admission to practice law must be furnished, such as a photocopy of both sides of a current state bar membership card.

b) Graduates of law schools recognized by the California State Bar, who are not members of the State Bar, will generally qualify on the basis of education, but are required to successfully complete a college-level course in Real Estate Finance and one in Real Estate Appraisal. Evidence of an LL.B. or J.D. degree should accompany the application, along with transcripts showing successful completion of a three semester-unit (or four quarter-unit) course in Real Estate Finance and in Real Estate Appraisal.

c) You may qualify with one year of full-time employment as a licensed salesperson in California within the last

five years prior to filing the application, plus graduation from an accredited college with an AA degree. Regardless of the degree, the applicant must show evidence (transcripts) of having completed eight statutory courses at the time of filing the application. The eight required courses may be part of the degree requirement or they may be completed separately from the degree course work.

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, equivalent experience, and education, 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 form(s) (RE 227) showing real estate-related experience is submitted. The Equivalent Experience Verification form must be completed **in full** and must have **two** verifying signatures on **each** form.

When submitting the Equivalent Experience Verification form (RE 227), 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, the statutory real estate courses listed in II. A. 4. above are required and cannot be claimed as part of 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 or loan underwriter 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 the applicant in understanding the general types of equivalent experience which can be used to qualify for the broker examination. Other types of 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.

Care in preparing the claim of qualification and presentation of adequate supporting letters or certifications will facilitate clearing 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. How to Apply for the Broker License Examination

Note: Initial examination scheduling is not arranged by telephone.

Submit the following:

1. Completed Broker Examination Application (RE 400B). **No changes of any kind will be made to an application once it has been received by DRE.**

   Do not submit more than one examination application.

   You may not apply to take an examination for a license for which you already have a right of renewal (see Section X License Renewal).

2. The appropriate fee for the application (see Section VI License Fees). Checks or money orders should be made payable to the Department of Real Estate. Do not send cash.

   DRE accepts credit card payment for scheduling of an original examination if the application is submitted by mail or fax. For credit card usage and fax information, call (916) 227-0899. The fax number is (916) 227-0925 (available 24 hours).

3. An official transcript showing successful completion of the statutory college-level real estate courses and degrees.

4. Completed Employment Verification form(s) (RE 226) for verifying licensed salesperson experience or copy of diploma or transcript for verifying a four-year college degree earned through a regionally accredited college, or Equivalent Experience Verification form(s) (RE 227) for verifying nonlicensed real estate-related experience.

5. Applicants with physical limitations requiring special accommodations must submit a physician's letter with the application to verify the nature of the physical limitations. DRE compliance with special requests is limited by scheduling constraints and cannot be guaranteed.

   Mail completed application, official transcript(s) or copy of official transcript(s), all supporting documentation, and appropriate fee to:

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

   Wait approximately four weeks for notification of your examination date, time and location. This information will be sent to you on an Broker Examination Schedule Notice (RE 401B). If you have not received your notice within four weeks, please phone the DRE Examination Section at (916) 227-0899. If you have a Touch-Tone telephone, you will have access to your scheduled examination date through an interactive voice response system or through our Web site at **www.dre.ca.gov**. From our Web site you will also be able to access a calendar reflecting examination dates currently being

scheduled; however, since DRE accepts examination reservations via phone, fax, and mail, a particular examination may be filled by the time your examination application is submitted and processed.

If you are not qualified at the time you submit your application and fee, you will be notified in writing and you will have two years from the date of receipt of the application in which to complete the qualifications and take the examination. If you do not qualify for and pass the examination during the two-year period, the application will expire and you will need to resubmit necessary qualifying material with the appropriate application and fee.

C. Rescheduling an Examination

If you do not take the examination on the date scheduled, or wish to change your scheduled date, you may apply for another examination date by completing, signing, and returning the Broker Examination Schedule Notice (RE 401B) to the address shown below. DRE accepts credit card payment for rescheduling of an examination by phone, mail or fax. For credit card usage and fax information, call (916) 227-0899. The fax number is (916) 227-0925 (available 24 hours). If the RE 401B has been lost, the rescheduling request can be made on an Broker Examination Change Application (RE 415B).

The first request for a new examination date must be accompanied by a fee of $20. A fee of $30 is required for the second and subsequent rescheduling applications.

All rescheduling requests should be mailed to:

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

DRE also accepts credit card payment for rescheduling of an examination by phone, fax or mail. For credit card usage and fax information, call (916) 227-0900. The fax number is (916) 227-0925 (available 24 hours).

From our Web site at **www.dre.ca.gov**, you will also be able to access a calendar reflecting examination dates currently being scheduled; however, since DRE accepts examination reservations via phone, fax, and mail, a particular examination may be filled by the time your examination application is submitted and processed.

D. 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 obtaining an examination date or disqualification from the examination. Transcripts should accompany your initial application. The name listed on the transcript should correspond with the name listed on the examination application. If a name change has occurred, supporting documentation such a marriage certificate or DMV print out should also be submitted.

Do inform the Department of any change of your mailing address. Any changes must be submitted in writing at the examination site or via a letter.

Don't send cash.

Don't apply for an examination if you are not prepared to take it. You will be scheduled for the first available date on or after the date indicated on the application.

Don't submit legal presence documentation or fingerprint information with your examination application.

Don't send duplicate faxes for the same transaction. This may result in your account inadvertently being charged twice and an unintentional rescheduling of an examination date.

Don't expect a refund or credit for any fees submitted. The Business and Professions Code prohibits refunds of application fees.

Don't request a qualification evaluation over the telephone or in person.

E. Taking the Examination

Examination Type — The maximum time allowed to take the examination is 5 hours, administered in a 2½-hour morning session and a 2½-hour afternoon session.

The examination is a multiple choice format; that is, you select a response from four choices of answers (see Section VIIIC for a description of examination content).

You are permitted to bring for your use during the examination a silent battery-operated, electronic, pocket-size calculator that does not have a printout capability or an alphabetic keyboard.

Examination Security — Because of the need to ensure confidentiality of examinations, you cannot inspect your book or answer sheet after the examination session has ended. (Section 1798.40(e) of the California Civil Code)

NOTE: Section 496 of the Business and Professions Code provides that a license may be denied, suspended, revoked or restricted on grounds that an applicant or licensee has subverted or attempted to subvert any licensing examination. The subverting of any examination includes: 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.

F. Notification of Examination Results

Examination results will be mailed to you, normally within five working days after the examination. If you have a Touch-Tone telephone, you will be able to obtain your examination results through an interactive voice response system by calling the Examination Section at (916) 227-0899 or by visiting our Web site at **www.dre.ca.gov**. Please wait at least three working days after you have completed your examination before calling this number.

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 receive an application for a license (see Section IIH).

You will be notified of the actual score and the percentage of questions answered correctly in each of the subject areas of the examination only when unsuccessful. (The overall score cannot be obtained by averaging the percentages.) Those who do not receive a passing grade may apply for reexamination (see Section IIG).

G. Reexamination

You may not apply for a reexamination until **after** notification of failure of a prior test. If you fail an examination, you may use the Broker Examination Result Notice (RE 418B) to apply for a new examination date.

If you are unable to locate your result notification, you may use an Broker Examination Change Application (RE 415B) to apply for a reexamination. This form must not be submitted until **after** the results of the

examination have been released, or the fee will be forfeited.

Requests for reexamination accompanied by check or money order should be mailed to:

Department of Real Estate
Examination Section
PO Box 187001
Sacramento CA 95818-7001

DRE also accepts credit card payment for scheduling of a reexamination by phone, fax or mail. For credit card usage and fax information, call (916) 227-0900. The fax number is (916) 227-0925 (available 24 hours).

From our Web site at **www.dre.ca.gov**, you will be able to access a calendar reflecting examination dates currently being scheduled; however, since DRE accepts examination reservations via phone, fax, and mail, a particular examination may be filled by the time your examination application is submitted and processed.

There is no limitation on the number of reexaminations you may take during the two-year period following the date of the filing of the original application. If you wish to take additional examinations after the two-year period, you must make a completely new application with all qualifying materials as described in Section IIB.

H. Once You Pass the Examination

After passing the examination, you will be sent a Broker License Application (RE 200). Within one year of the examination date this form must be completed and returned along with the appropriate fee and a completed Live Scan Request form (RE 237). Out of state applicants must submit two sets of fingerprints in ink using FBI Applicant Card (FD-258 Rev. 5/99) (see Section VII Fingerprint Requirement).

An out-of-state applicant must also submit a completed notarized irrevocable Consent to Service of Process (RE 234) and an Out-of-State Broker Acknowledgment (RE 235), if applicable (refer to Section IX Out-of-State Applicants for further information).

I. Proof of Legal Presence

All license applicants must submit proof that they have legal presence in the United States. 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) before a license will be issued.

Note: See also Sections XIIIA Child Support Obligors and XIIIB Proof of Legal Presence.

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 are not a resident of California, refer to Section IX Out-of-State Applicants.

For the fee of $218, the license issued to a corporation's designated officer entitles that individual to conduct licensed activities on behalf of the corporation without payment of an additional license fee. (A fingerprint processing fee may be required of those applicants who have passed the broker examination, but do not currently hold a real estate license (see Section VII Fingerprint Requirement). 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.

To obtain a corporation license, submit a properly completed Corporation License Application (RE 201), the current license fee, and either a 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 the Articles of Incorporation (if filed within six months before the date the application is submitted to our office). Section III of the 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 Regulation 2746. If none of the officers have been the subject of any of the items enumerated in that Regulation, an RE 212 is not needed. In all instances, the designated broker/officer **must** complete and sign the certification in Part III of the application.

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 RE 201 and the current 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 which 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

Submit the following:

1. Completed Corporation License Application (RE 201).
2. Properly completed Corporation Background Statement(s) (RE 212), **if applicable** (see Section IIIA Real Estate Corporation License General Information).
3. Appropriate Fee (see Section VI License Fees).
4. A completed Live Scan Service Request (RE 237), when applicable (see Section VII Fingerprint Requirement).
5. 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.
6. Branch Office Application (RE 203), when applicable, for each additional office location being added.

7. 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.
8. A completed Salesperson Change Application (RE 214) for any salesperson the corporation intends to employ to conduct licensed activity as an employee of the corporation.

   Mail to:

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

C. Proof of Legal Presence

All license applicants must submit proof that they have legal presence in the United States. 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) before a license will be issued.

Note: See also Sections XIIIA Child Support Obligors and XIIIB Proof of Legal Presence.

SECTION IV
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.

B. Proof of Legal Presence

All applicants for renewal of MOG licenses must submit proof that they have legal presence in the United States. 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) before a license will be issued.

Note: See also Sections XIIIA Child Support Obligors and XIIIB Proof of Legal Presence.

SECTION V
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 a part of this activity.

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 (RE 271) **or** a Corporation License Application (RE 272);
- Proof of fingerprinting taken by a live scan service provider (see Section VII Fingerprint Requirement);
- A completed and signed State Public Benefits Statement (RE 205) and acceptable documentation (see Section XIII B Proof of Legal Presence);
- A fully completed Surety Bond (RE 270) **or** a Cash Deposit Security (RE 275) ($10,000 for each location);
- And the appropriate license fees (see Section VI License Fees).

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

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 (RE 274), either a fully completed Surety Bond form (RE 270) or Cash Deposit Security (RE 275), and a license fee of $25 for each location being requested.

Additionally, 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 (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.) A completed and singed State Public Benefits Statement (RE 205) and acceptable documentation are also required (see Section XIIIB Proof of Legal Presence).

C. Approved Contract

Prior to issuance of the PRLS license, applicants must submit and have approved by DRE a contract to be entered into between the licensee and client/prospective tenant.

D. Proof of Legal Presence

All license applicants must submit proof that they have legal presence in the United States. 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) before a license will be issued.

Note: See also Sections XIIIA Child Support Obligors and XIIIB Proof of Legal Presence.

E. 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
(916) 227-0931

SECTION VI
LICENSE FEES

Please keep in mind that fees are subject to change. All fees are nonrefundable per Business and Professions Code Section 10207.

A. Examination Fees

	Sales	Broker *(all types)*
Original examination	$60	$95
First reschedule	$15	$20
Subsequent reschedule	$30	$30
Reexamination	$60	$95

B. Original License Fees

Sales License

If qualified for exam with all three courses or is including remaining two courses with license application $129

If qualified for exam with R.E. Principles only and is not including remaining two courses with license application (see Section IB regarding Conditional License) $178

Broker License $218

Fingerprint Processing* ..... varies

Note: Fingerprint processing fee is not required of an applicant who is currently licensed by DRE or has held a license issued by DRE which expired less than two years ago, unless applicant was required to requalify for a license by examination due to conditional suspension of a previously held real state license.

* Effective July 1, 2001, original license applicants who **reside in California** will pay the $56 fingerprint processing fee directly to the live scan fingerprint service provider. Original license applicants who **reside out of the state** should submit the $56 fingerprint processing fee to the Department of Real Estate with their application and license fee (see Section VII Fingerprint Requirements).

C. Renewal Fees

	Sales	Broker *(all types)*
On time	$129	$218
Late (within 2-year grace period)	$193	$327

D. Miscellaneous Fees

Corporation license for additional broker officer. $218
PRLS license (individual or corporation) $100
PRLS additional location fee $25
Certified license history $20
Duplicate license certificate $10
Child support obligor fee (see Section XIIIA)..... $95

SECTION VII
FINGERPRINT REQUIREMENT

One set of classifiable electronic fingerprints is required from every real estate license applicant unless the applicant is currently licensed or has held a California real estate license which expired during the past two years. Those applicants who are required to requalify for a license by examination due to conditional suspension of a previously held real estate license are also required to submit one set of classifiable electronic fingerprints.

Fingerprints must be submitted through the California Department of Justice's (DOJ) Live Scan Program, which involves the electronic taking and transmission of fingerprints to DOJ by a live scan service provider. A Live Scan Service Request form (RE 237) will be sent to all applicants who pass the real estate examination. After the live scan service provider takes the fingerprints, the applicant must submit to DRE a copy of the RE 237 with Part 3 completed, along with the applicant's completed original license application and the appropriate fee. A list of live scan service providers will be provided at the time the license examination is taken, or can be obtained by calling DRE at (916) 227-0931 or by checking DOJ's Web site at: **http://caag.state.ca.us/fingerprints/publications/contact.pdf**

Applicants who reside outside California must submit two sets of fingerprints in ink using the FBI Applicant Fingerprint Card (FD-258 Rev. 5/99). Two cards will be provided to out of state original license applicants with the original license application.

* Effective July 1, 2001 original license applicants who **reside in California** will pay a $56 fingerprint processing fee directly to the live scan fingerprint service provider. Original license applicants who **reside out of the state** should submit the $56 fingerprint processing fee to the Department of Real Estate with their application and license fee (see Section VI License Fees).

SECTION VIII
SALESPERSON AND BROKER EXAMINATIONS

A. Examination Scheduling

Examination scheduling is based on the volume of applications received. Examinations are generally administered, as needed, in the following cities:

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

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

If you are not qualified at the time of making application, you have **two years** from the original date the application and fee were received by DRE to complete the qualifications and pass the examination. If you do not pass the examination during the two-year period, the application expires and you will be required to resubmit all qualifying material with the appropriate application and fee. **No refunds or credits will be allowed.**

B. Preparing for the Examination

DRE publishes a *Reference Book* 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 are discussed. One chapter describes the type and scope of the license examinations.

The license law, the subdivision law administered by the Real Estate Commissioner, the Regulations of the Commissioner, and extracts from other pertinent California codes are contained in the *Real Estate Law* book (see Section XII DRE Publications for prices, etc.).

Most bookstores and libraries contain a “real estate shelf” of publications which can be helpful in preparing for an examination.

C. Examination Content and Test Questions

1. The law requires that you demonstrate in a written examination that you have:

   a. Appropriate knowledge of the English language, including reading, writing, and spelling; and of arithmetical computations common to real estate and business opportunity practices.

   b. 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.

   c. 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 as administered by the Real Estate Commissioner.

2. Representative examinations for brokers and salespersons each cover major aspects of real estate.

   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 major categories. Thus, the categories are revised and brought up-to-date on a regular basis. There is no assurance that a specific test will cover all subject areas listed, because the test merely samples the broad field of real estate.

   The following lists of examination topics are for informational purposes and should not be considered totally comprehensive.

   a. **Broker Examination — Subject areas**

      - Real Property and Laws Relating to Ownership (approximately 9% of exam) — Ownership of property, encumbrances and public power over property
      - Tax Implications of Real Estate Ownership (approximately 8% of exam) — Knowledge of current tax laws affecting real estate ownership

- Valuation/Appraisal of Real Property (approximately 15% of exam) — Methods of appraising and valuing property; Factors which may influence value estimate
- Financing Real Estate (approximately 16% of exam) — Sources of financing; Common clauses in mortgage instruments; Types of loans, terms and conditions
- Transfer of Property (approximately 9% of exam) — Titles, escrows and reports
- Real Estate Practice (approximately 21% of exam) — Listing of real property, sales contracts and marketing
- Broker's Responsibility for Agency Management (approximately 22% of exam) — State real estate laws and regulations; Laws relating to fair practices; Knowledge of trends and developments; Knowledge of forms and calculations

b. **Salesperson Examination — Subject areas**

- Real Property and Laws Relating to Ownership (approximately 11% of exam) — Ownership of real property, encumbrances, and public power over real property
- Tax Implications of Real Estate Ownership (approximately 8% of exam) — Knowledge of current tax laws affecting real estate ownership
- Valuation/Appraisal of Real Property (approximately 15% of exam) — Methods of appraising and valuing property; Factors which may influence value estimate
- Financing Real Estate (approximately 17% of exam) — Sources of financing; Common clauses in mortgage instruments; Types of loans, terms and conditions
- Transfer of Property (approximately 10% of exam) — Titles, escrows and reports
- Real Estate Practice (approximately 22% of exam) — Listing of real property, sales contracts and marketing
- Brokerage: Responsibilities and Functions of Salespersons (approximately 17% of exam) — State real estate laws and regulations; Laws relating to fair practices; Knowledge of trends and developments; Knowledge of commonly used real estate forms and math calculations

3. To pass a salesperson examination and become eligible for a license, the salesperson license candidate must correctly answer at least 70 percent of the questions on the test. The examination for a broker license is more difficult and the broker license candidate must correctly answer at least 75 percent of the test questions correctly in order to qualify for a license.

SECTION IX
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.

In applying for the real estate broker or salesperson examination, evidence of completion (i.e. transcripts) of the statutory courses in out-of-state institutions is acceptable if the institution is accredited by the Western Association of Schools and Colleges or a comparable regional accrediting entity, and each course provided for three semester-units credit or four quarter-units credit.

Courses completed through foreign institutions of higher learning must be evaluated by a foreign credentials evaluation service approved by the Department of Real Estate. (Refer to 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 (Real Estate Applicant/Licensee) (RE 234) with this Department. 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 Sections XIIIA Child Support Obligors and XIIIB Proof of Legal Presence.

SECTION X
LICENSE RENEWAL

Both salesperson and broker licenses are issued for a four-year period and may be renewed by submitting the appropriate application, fee, and evidence of having successfully completed required continuing education (CE) courses. Proof of legal presence in the United States will also be required if the licensee has not previously provided that information. License Renewal Information (RE 211A) provides more details concerning on time and late renewals.

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 Sections XIIIA Child Support Obligors and XIIIB Proof of Legal Presence.

The current CE requirements are as follows:

1. Salespersons renewing for the first time after the issuance of their original license must complete twelve clock hours of CE consisting of DRE-approved three-hour courses in Ethics, Agency, Trust Fund Handling, and Fair Housing.

2. Except as provided in item 1 above, all licensees, brokers and salespersons, renewing for the first time on and after January 1, 1996 must complete 45 clock hours of DRE-approved CE consisting of:

   - Three-hour courses in Ethics, Agency, Trust Fund Handling, and Fair Housing (a total of 12 clock hours);

   - At least 18 additional clock hours of courses approved under the category of “Consumer Protection”; and

   - The remaining 15 clock hours in courses approved in either the “Consumer Service” or “Consumer Protection” categories.

3. For all subsequent renewals, salespersons and brokers must complete 45 clock hours of DRE-approved CE consisting of:

- A six-hour survey course with equal coverage of Ethics, Agency, Trust Fund Handling, and Fair Housing;
- At least 18 clock hours of courses approved under the category of "Consumer Protection"; and
- The remaining 21 clock hours in courses approved in either the "Consumer Service" or "Consumer Protection" categories.

These requirements are summarized below.

Note: Salespersons who have been issued an 18-month conditional license must have submitted evidence of completion of two additional three semester-unit or four quarter-unit college-level courses in order to be eligible to file a renewal application. See Section IB.

CE REQUIREMENTS SUMMARY BASED ON RENEWAL

A—All licenses, broker and salesperson, except as provided in "B" below

Initial renewal - A total of 45 clock hours, which must include: 1) three-hour courses in ethics, agency, trust fund accounting and handling, and fair housing; and 2) at least 18 hours of consumer protection courses.

Second and all subsequent renewals - A total of 45 clock hours, which must include: 1) a six-hour survey course covering the subjects of ethics, agency, trust fund accounting and handling, and fair housing; and 2) at least 18 hours of consumer protection courses.

B—Salespersons renewing for the first time after issuance of an original license

Initial renewal - Three-hour courses in ethics, agency, trust fund accounting and handling, and fair housing (a total of 12 clock hours).

Second and all subsequent renewals - A total of 45 clock hours, which must include: 1) a six-hour survey course covering the subjects of ethics, agency, trust fund accounting and handling, and fair housing; and 2) at least 18 hours of consumer protection courses.

SECTION XI
AVAILABILITY OF REQUIRED COURSES

A. Statutory Courses

1. Courses at Public Institutions of Learning

During the past few decades, 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**

Presently, 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 represented in a manner satisfactory to DRE. (Refer to RE 223.)

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

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 2½ weeks.) The student should 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 all institutions which have been approved to offer specific continuing education courses, including correspondence courses, can be obtained by sending a check or money order for $5.00 to:

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

This information is also available on our Web site at **www.dre.ca.gov**.

SECTION XII
DRE PUBLICATIONS

A. Real Estate Bulletin

The *Bulletin* is normally published four times a year and mailed to all licensees to help keep them informed of matters relating to the Department, changes affecting the laws and regulations, and other matters of concern to licensees. In order to receive the *Bulletin* and any other mailings from DRE, you must keep DRE advised of your current mailing address.

B. Real Estate Law Book

The *Real Estate Law* book contains the full text of the Real Estate Law (which is part of the California Business and Professions Code), the Regulations of the Real Estate Commissioner, and excerpts from other California codes.

The book is available in print and on CD in a format compatible with Adobe Acrobat Reader.

Cost: $20.00 for the printed version or CD, $35 for both (plus appropriate sales tax for California residents)

C. Reference Book

This book 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.

Cost: $20.00 (plus appropriate sales tax for California residents)

D. Ordering Books

Single copies of the *Reference Book* and the *Real Estate Law* book may be purchased over the counter at any of the Department's district offices. Books (including multiple copies) may also be ordered by mail. Cash (over the counter sale only), personal check, money order, cashier's check (all payable to Department of Real Estate) and VISA or MasterCard are acceptable forms of payment. For information, call (916) 227-0852.

Mail orders (again, no cash) must be sent to:

Department of Real Estate
Book Orders
P.O. Box 187006
Sacramento, CA 95818-7006

For mail orders, please allow 4–6 weeks for delivery.

Orders cannot be processed until payment has been received. Prices are subject to change and there are no refunds.

SECTION XIII
MISCELLANEOUS INFORMATION

A. Child Support Obligors

In accordance with Section 17520 of the Family Code, 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 from information provided by the District Attorney of each county in California.

DRE will issue a 150-day license to an otherwise qualified applicant who is on the list of child support obligors. DRE will advise the applicant that the license applied for cannot be issued unless a release is obtained from the District Attorney's office during the 150 days.

DRE also receives a supplemental list of obligors who are over four months delinquent in child support payments. DRE compares this list to the total real estate licensee population. 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 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 to DRE a processing fee of $95.

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 that they have 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 by original and renewal license applicants with a State Public Benefits Statement (RE 205). Please refer to that form for further instructions and information.

If you have already submitted to the Department of Real Estate proof of citizenship or permanent resident alien status, you will not be required to submit that information 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. Partnerships

No formal partnership licenses are issued by 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. 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.

D. Processing Time

1. Examinations

There are many factors that affect the time required to process examination applications (seasonal fluctuations in work load, new regulations, availability of examination space, reschedules, etc.). Given these variables, it is impossible to precisely state how many days after applying you will obtain the notice of your examination date. You are encouraged to indicate on your examination application if you do not wish to be scheduled until on or after a specific date in the future.

Please do not send duplicate faxes of the same transaction or fax a copy of a recently mailed application. This may result in your account inadvertently being charged twice and an unintentional rescheduling of an examination date. If you have not received your notice within four weeks, please phone the DRE Examination Section at (916) 227-0900.

If you have correctly completed the application and submitted all the needed documentation in good order, you should receive the notice within approximately four weeks.

Incomplete or incorrect application packages will cause delays.

2. *Original Licenses*

Similarly, the time it takes to issue a license after receipt of the application depends upon proper submission of all the materials needed.

Some of the most common causes for processing delays are:

- Incomplete application;
- Incomplete/unacceptable verification of legal presence;
- Incorrect fee; or
- Failure to receive a report from the Department of Justice (DOJ) stating that there is either no criminal history or disclosing the existence of criminal history information.

  The Department of Real Estate will not issue a new original license to a license applicant until such time as DOJ provides either a no record clearance or a report disclosing the existence of a prior criminal background history.

  In most cases implementation of the live scan fingerprint process has enabled the Department to receive the results from DOJ within three to ten business days. In some cases, however, DRE may receive a fingerprint reject notice, meaning fingerprints submitted could not be processed and a new set of fingerprints must be submitted, or a delay notice may be received, which can be due to various factors. In some instances these delays result in the disclosure of a criminal history while others ultimately result in a no criminal history report.

E. Certified License Histories

A certified license history, covering the preceding five year period, may be requested in writing for any licensee for a fee of $20.00. If specifically requested, information beyond the preceding five year period will be provided. 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 as required in Section II.

Mail the request and fee to:

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

Allow approximately 4–6 weeks for processing. Current processing time frames may be obtained from the Licensing Information Section at (916) 227-0931.

F. DRE Offices

Sacramento (principal office) — (916) 227-0931
2201 Broadway
Sacramento, CA 95818

Mailing Address	PO Box	Zip Code
General Mail	187000	95818-7000
Examinations	187001	95818-7001
Original Licenses	187002	95818-7002
Sales Section	187003	95818-7003
Broker Section	187004	95818-7004

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

Los Angeles — (213) 620-2072
320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105

Oakland — (510) 622-2552
1515 Clay Street, Suite 702
Oakland, CA 94612-1402

San Diego — (619) 525-4192
1350 Front Street, Suite 3064
San Diego, CA 92101-3687

G. DRE Web Site

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

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 time can be increased 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.

- ***Incorrect fees*** — Licensing fees were changed effective July 1, 2001. Many applicants are still referring to the old fee schedule when sending in their applications. This causes processing delays because of the additional procedures necessary to request the balance of the required fee. Prior to submitting your application, please refer to the current fee schedule, to ensure that you are enclosing 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 the 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.

  When incomplete applications are received, processing delays are incurred. These delays not only adversely affect the individual whose application is being held in suspense until receipt of the required information, but also all other original and renewal applicants, due to the additional work load that is created for the Licensing Section.

- ***Processing time frames*** — Many times, individuals who have submitted applications for original licenses, renewals, or license changes contact the Department for status reports. As a result of the time spent handling the volume of telephone calls that are received from callers with such questions, processing times are delayed for all applications. Depending on work load, it can take up to four to six weeks for an application to be processed, and the general processing time frames for each type of document are listed in the instructions for the form itself. Please allow sufficient time for your application to be processed before calling. Also, remember, your transaction will be reflected on our web site at www.dre.ca.gov under License Status as soon as it is processed.

- ***Renewal processing*** — 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. With respect to renewal processing, the Department processes renewal applications in expiration date order, as opposed to received date order because of the large volume of licensees who send in their applications within the final two weeks of their license term. Although we appreciate the conscientiousness of licensees who submit their renewal applications early, we have found that processing renewal applications in expiration date order works best as licenses are then renewed prior to their expiration date, absent a backlog situation.

  While the Department makes every attempt to maintain processing times at reasonable levels, there are occasions when processing times exceed what we hope to accomplish. When this occurs, please remember that 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*** — A high percentage of the original and renewal applications that have been received since August 1, 1998, have been incomplete in that the State Public Benefits Statement and/or a legal presence document were not included. Please help us to help you by ensuring that you submit an appropriate document establishing legal presence in the United States, together with a properly completed State Public Benefits Statement, with your original or renewal license application. Also, remember, these documents should not be included with your examination application. The requirement is not applicable until you are submitting an original or renewal license application.

- ***Mailing address*** — Many licensees fail to notify the Department of a change in their mailing address. 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, or with current editions of the Real Estate Bulletin that provide information on changes to license requirements and other developments. To change your mailing address, please submit the appropriate Salesperson Change Application (RE 214), Broker Change Application (RE 204), or Corporation Change Application (RE 204A).

  You can also change your mailing address using our Web site at **www.dre.ca.gov.**

  With a little care, licensing documents can be properly completed and processing delays can be avoided. To avoid problems and delays with license applications and change notices, licensees are urged to refer to this list when submitting documents for processing.