A low-angle, upward-looking photograph of a grand classical building facade. The image features several tall, fluted columns supporting a heavy entablature. Above the columns, a series of statues in classical attire are visible, some holding staffs or scepters. The sky is overcast with grey clouds. A semi-transparent white banner is overlaid across the middle of the image, containing the course title and chapter information.

# SALES ASSOCIATE COURSE

## **CHAPTER 2**

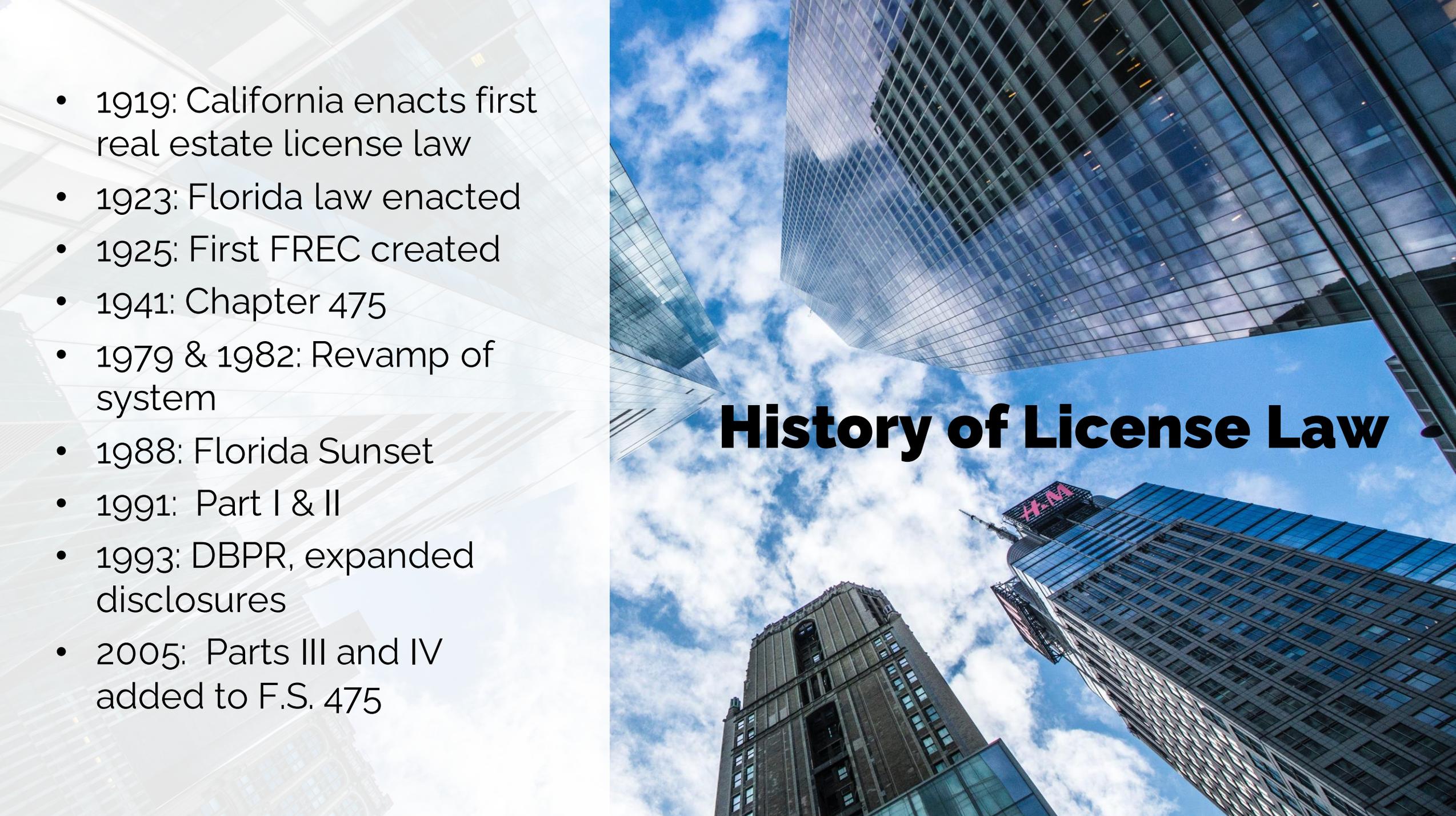
License Law and Qualifications for Licensure





Purpose  
**Protect the Public**

- 1919: California enacts first real estate license law
- 1923: Florida law enacted
- 1925: First FREC created
- 1941: Chapter 475
- 1979 & 1982: Revamp of system
- 1988: Florida Sunset
- 1991: Part I & II
- 1993: DBPR, expanded disclosures
- 2005: Parts III and IV added to F.S. 475



# History of License Law



# Terminology

- **“Commission”** – Florida Real Estate Commission (FREC)
- **“Department”** – Department of Business and Professional Regulations (DBPR)
- **“Division”** – Division of Real Estate (DRE)
- License – any permit, registration, certificate or license issued by the Department
- Licensee – any person issued a permit, registration, certificate or license by the Department

A close-up photograph of a person's hand holding a small, white rectangular card. The card is held horizontally and is the central focus of the image. The background is blurred, showing a person wearing a dark suit jacket and a white shirt. The text on the card is bold and black.

## **Activities Requiring Licensure**

An active Florida Real Estate license is required if:

- Performing a service of real estate
- In Florida
- For another
- For compensation

# Real Estate Services

Eight most common services  
of Real Estate:

**A**ppraise

**B**uy

**A**uctioning

**R**ent

**S**ell

**A**dvertise Real Estate Services

**L**ease

**E**xchange





# License Categories

## **Sales Associate** – initial license

- 63 hour pre license – 70%
- State exam - 75%
- 45 hour post license prior to 1st renewal

## **Broker** – active 24 months in the previous 5 years

- 72 hour pre license – 70%
- State exam - 75%
- 60 hour post license prior to 1st renewal

## **Broker Associate** - works for employing broker

- Sales associate capacity

- Active member of the Florida Bar exempt from the 63-hour pre-license course (must pass State exam)
- 4 year real estate degree or higher exempt from all sales and broker pre and post classes
- Florida resident not necessary
- Social Security number
- 18 years or older
- High School or equivalent
- Honest, truthful, trustworthy and reputation for fair dealing



## Qualifications



# Licensing and Renewal Process

## Pre-license

- Complete course and pass final exam – 70%
- State exam application
- Electronic fingerprints
- Pass State exam - 75%

## Post-license

- Complete course -75% passing grade prior to 1st renewal

## Continuing Education (CE)

- Complete every two years – 80% passing grade prior to 2nd renewal and all subsequent renewals

Florida has entered into agreements with 10 other states

– currently:

- Alabama, Arkansas, Connecticut, Georgia, Illinois, Kentucky, Mississippi, Nebraska, Rhode Island and West Virginia

**Non-resident** licensees in mutual recognition states only

- 40 question test on Florida law
  - 75% passing score
- Same type license here as in other state

Residents of Florida must complete the entire process to get a Florida license



# Initial License Application



- Complete license application
- Good for 2 years after approval
- Fee payment
- Electronic fingerprints
- Background questions
  - Convicted, found guilty or enter a plea of nolo contendere to a crime
  - Under criminal investigation
  - Not minor traffic offenses
  - DUI must be disclosed

## **Application denial**

- Incomplete – omit signature
- Forget to include fee
- Application returned for correction

## **Misrepresentation**

- False statements
- Omit criminal history
- May be ineligible for licensure

## **Application Approval or Denial**





## **Application Approval or Denial**

Application complete – but denied

- Applicant notified
- 21 days to request formal hearing
- Hearing before administrative law judge
- F.S. 120 Florida Administrative Procedures Act

Applies to:

- Active/formerly active duty member of the military
- Spouse/surviving spouse of an active duty member
- Requirements
  - Hold a valid license for corresponding profession in any other:
    - State or District of Columbia
    - Territory of the United States
    - Foreign jurisdiction
- Reciprocity



## **Reciprocity for Professional License for Military Members and Spouses**



## **Qualifications for Broker Licensure**

- Active at least 24 months in the last five years
  - With broker or government agency
  - Time with owner/developer does not count
- Completion of sales associate 45 hour post license course if applicable
  - Exception: 4-year degree or higher in real estate
- 72 hour Broker - 70%
- State exam -75%



- 100 questions , 3-1/2 hours, 75%
- Applicants failing the state exam may review most recent exam by paying a fee.
- Review cannot be same day as retest
- Qualifications for immigrants examination
  - 15 or more request exam in native language at their expense



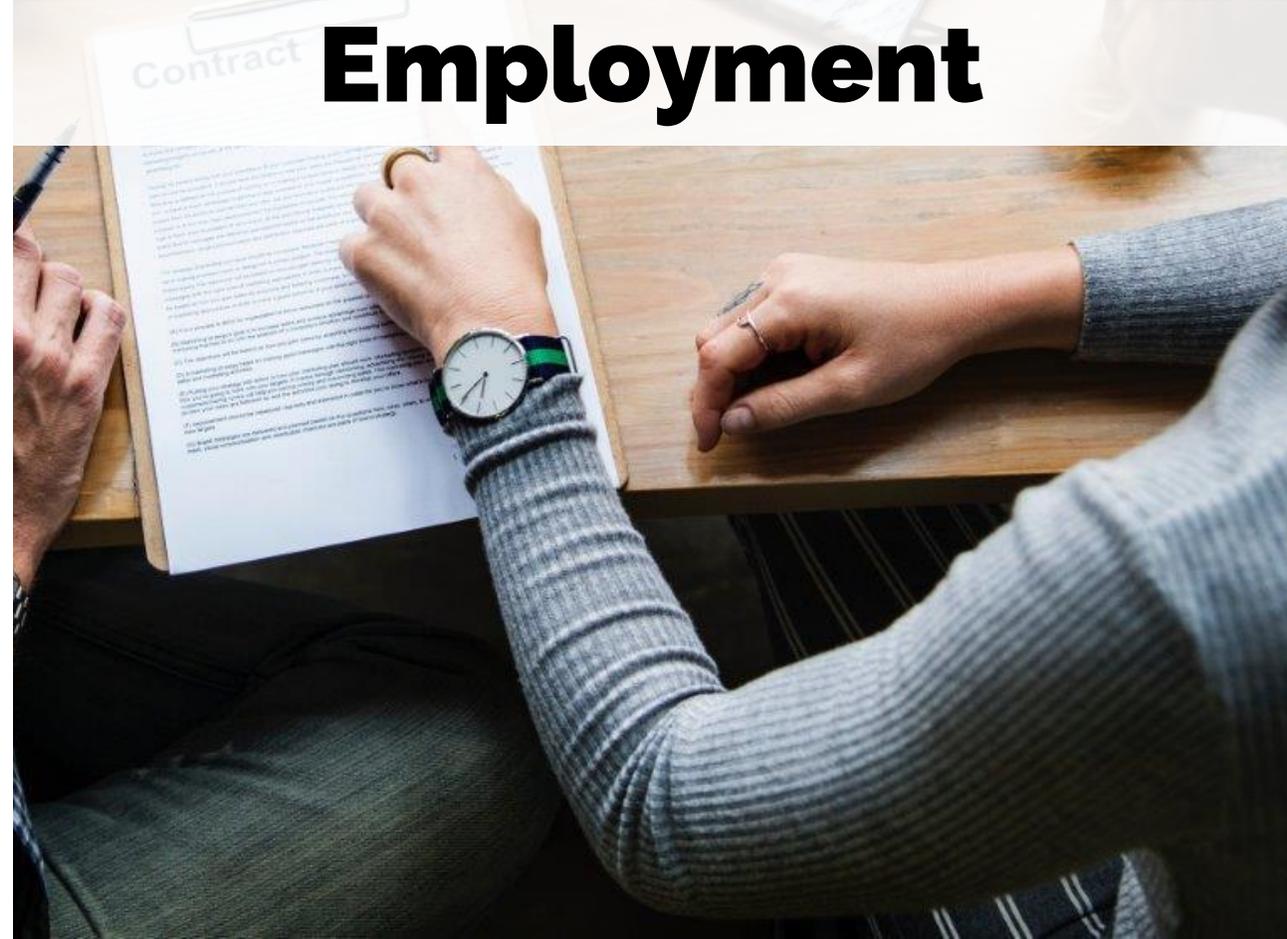
# Employment

## Employment by Broker

- Sales or broker associate
  - Acts as brokers agent
  - Can only receive compensation from employing broker
  - Can only work for one broker at a time

## Employment by Owner-Developer

- Owner-Developer is registered, not licensed
- Sales and broker associate may only sell owner-developers property
- Salespersons can be unlicensed if paid salary
- Salespersons must be licensed if paid commission or transaction-based fees



## Employment

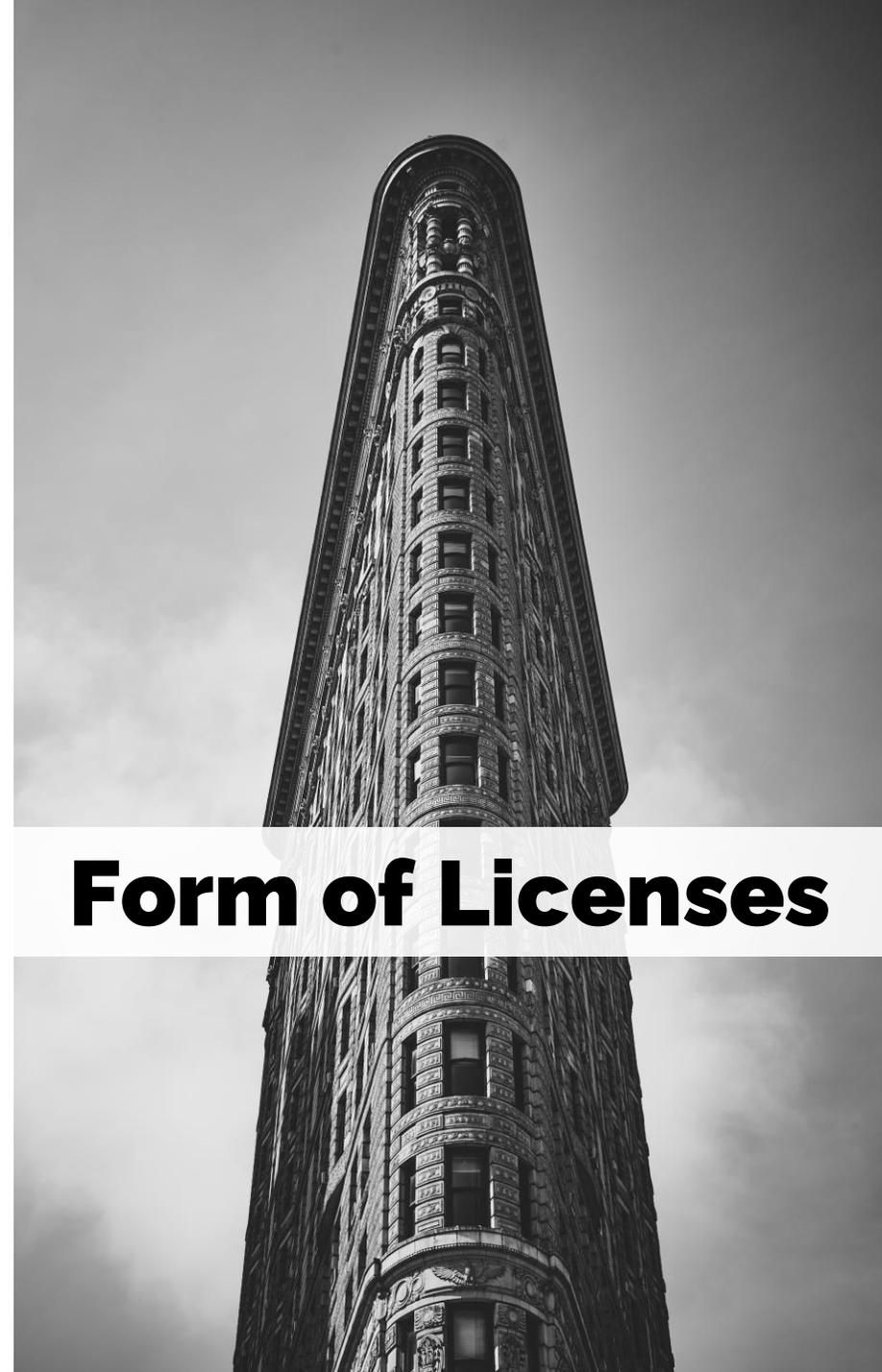


# Licensure and Registration

- **Licensure**
  - Individuals right to practice a profession
- Individuals are licensed and registered
- **Registration**
  - Name and address of business placed on record with the DRE
  - Corporations are registered *only*



- Name
- Type
- Address
- Effective date
- Expiration date
- Seal of the State of Florida
- Name of Governor
- Name of secretary of DBPR
- Prima Facie Evidence



## **Form of Licenses**



## **Post-license Education (first renewal)**

### **Sales Associate**

- 45-hour Sales Associate Post License Course
  - Must complete before taking brokers exam
    - 100 questions
    - 75%

### **Broker**

- 60-hour Broker Post License Course
  - 30 hr Management
  - 30 hr Advanced Topics
  - 50 questions each course
  - 75%



## **Post-license Education (first renewal)**

### **Hardship Cases**

- Post License Courses Only
  - Sales & Brokers
    - Physical
      - 6 months after expiration
    - Economic
    - Technological
      - Written request to FREC

## Sales Associate

63-hour Pre-Licensing

Class Exam -70%

State Exam -75%

45-hour Post Licensing

Class Exam -75%

No State Exam

14-hour Continuing

Education

Every 2 Years

## Broker Associate\*

72-hour Pre-Licensing

Class Exam -70%

State Exam -75%

60-hour Post Licensing

Class Exam -75%

No State Exam

14-hour Continuing

Education

Every 2 Years

# Licensing Requirements

### \*Broker prerequisite

Must hold an active sales or broker license for 24 months out of the past 5 years with one or more real estate brokers in this or any other state, territory, or jurisdiction of the U.S. or in any foreign national jurisdiction, or in the employ of a governmental agency.

# Continuing Education

- After the first renewal - 14 hours required
  - Classroom
  - Distance learning course
- Renewing a license without completing the required education is a **fraudulent renewal** which would likely cause suspension or revocation
- Not required for active members of the Florida Bar



- Attorney-in-fact (person with power of attorney) for executing contracts and conveyances only
- Attorney at law and certified public accountants within scope of their professional duties
- Court authority – appointed by court or will for a fee or salary – **not** a commission
- Salaried condominium and co-operative managers and those who work in an on site rental office as long as leasing for not over 1 year



# Exemptions From License Requirements

# Exemptions From License Requirements



- A salaried salesperson in the employ of an owner-developer
- Partners in a partnership performing real estate services for the partnership (not the public) who receive a profit not in excess of their pro rata share
- Buy or sell cemetery lots
- Renting lots in a mobile home park
- Anyone who rents or advertises for rent transient occupancy
- (hotels, motels, vacation rentals)

- Properly licensed appraiser performing appraisal functions
- Tenants of apartment complex may receive \$50 finder's fee for other tenants
- Radio/ TV employees



## **Exemptions From License Requirements**

## Chapter 2 (6%)

P.17 HL 14-17, 20, 21, 37 – 40

P.18 HL 4, 5

P.20 HL 32, 33

P.22 HL 7-11

P.25 HL 11, 12, 52

P.26 HL 47-50 (add: also called Sales Post)

P.27 HL 50-52

P.28 HL 47, 48

P.29 HL 23 – 25





# Coffee Break

15 Minutes