

Brokers Course II

Florida Real Estate



Licensure

- A license is required to perform real estate services for others for compensation or anticipation of compensation.
- A broker associate holds a broker's license but chooses to register and work under the direction of another broker.
- Sales associates and broker associates are agents of their employer.



Application for Licensure

Individuals who apply for a license must:

- Be at least 18 years old
- Have a high school diploma or its equivalent
- Possess a U.S. Social Security number
- Be honest, truthful, and trustworthy
- Be competent and qualified to make real estate transactions and conduct negotiations



Military Fee Waiver

The Veteran & Spouse License Fees can be waived

- **Initial application, license, and unlicensed activity fee** for military veterans and spouses is waived for 60 months after honorable discharge from the armed forces



Florida Resident

Florida resident is defined as

- A resident is a person who has resided in Florida continuously for four calendar months
- or more within the preceding year, regardless of whether the residence is a recreation
- vehicle, a hotel, a rental unit, or another temporary or permanent location



Nonresident Applicant Requirements

- U.S. citizenship is not required (Applicants must possess a Social Security number)
- Applicants do not have to be residents of Florida
- Nonresident applicant must comply with all F.S. 475 requirements and FREC rules
- including post-licensing and continuing education



Reasons for Denial of an Application



Fingerprint Process

- Criminal background check
- The applicant must disclose if ever convicted or found guilty of a crime, ever entered a plea of nolo contendere (no contest), ever charged with moral turpitude, or is currently under investigation
- Expungement and sealed documents



Brokers Education

- Broker pre-license course (Course II) with grade of **at least 70 on the end-of-course exam**
- Florida **sales associates must complete the 45-hour post-license** education requirement to be eligible for a broker's license



Brokers State license exam consists of

- 45 points on law
- 40 points on principles and practices
- 15 points on real estate mathematics
- 8 questions on HUD-1 calculations
- 7 questions on general math calculations)



Brokers pre-license course requirement Exceptions

- Applicants with a four-year degree or higher in real estate are exempt from the pre-license and post-license education courses
- An active member in good standing with The Florida Bar is exempt from Course I (but not Course II Pre-License or the post-license requirement)



Mutual Recognition Agreements

- Mutual recognition agreements with eight states
- Agreements apply exclusively to nonresidents licensed in other states
- Certificate of licensure history from the state where the applicant is licensed
- 40-item law state license exam (passing grade is 75%)
- Mutual recognition is not reciprocity



Broker Experience Requirement

- Broker applicants must complete 24 months of real estate experience during five years preceding application
- Experience is established by:
 - Holding an active sales associate license under a Florida broker or a broker in another state or nation
 - Holding an active sales associate license working as a salaried employee of a government agency
 - Holding an active broker license in another state or nation
- Experience cannot be established by working for an owner-developer



Brokers License Exam

- Passing score is 75
- Computerized multiple choice test offered in English and Spanish
- Active sales associates who pass the broker license exam and plan to continue working for the same employer as broker associates do not need to submit any paperwork—the DBPR records will be updated to indicate the licensees are broker associates
- Inactive licensees that pass the exam will receive an inactive broker license
- Applicants may review their most recent exam and file an objection
- Examinees also have the right to a formal hearing regarding their exam



Brokers Post License Education

- Broker licensees must complete broker post-license requirement before the initial renewal of license
- Failure to complete post-license requirement before the first renewal with result in license becoming null and void
- Hardship cases: Commission may allow additional six months to complete post-license education.
 - In such cases, the licensee (Broker) may request and receive a sales associate license after completing 14 hours of continuing education within six months following expiration of the broker's license



Brokers Post License Education

- Individuals who have a four-year degree or higher in real estate are exempt from post-license course
- Attorneys are not exempt from the post-license course



Brokers Continuing Education

- 14 hours during each two year license period
- Includes 3 hour core law requirement
- Active members in good standing with The Florida Bar are exempt from the CE requirements
- A licensee may not practice real estate with an expired license



Brokers Continuing Education

- Licensees may substitute attendance at one legal agenda session of the FREC for three classroom hours (not core law) of continuing education credit
- May substitute three CE credits only one time per renewal cycle
- May not earn CE credit for attending a legal agenda session if the licensee is a party to a disciplinary action slated for that FREC legal agenda



Initial License

- Upon passing the license exam, an applicant is issued an initial license
- Licenses expire on either March 31 or September 30
- The expiration date of the initial license is the date (March 31 or September 30) that provides at least 18 months of initial licensure but does not exceed 24 months



Armed Forces Renewal Exemption

- Member of U.S. Armed Forces is exempt from renewal requirements while on active duty and for 6 months after discharge from active duty.
- Military exemption applies to a licensed spouse if the military duty is out of state.
- Temporary license issued to spouse of an active-duty member assigned to duty in
- Florida expires six months after date of issue and is not renewable



Active vs. Inactive Status

- Two types of inactive status
 - **Voluntary inactive**—licensee has applied to the DBPR to be placed on inactive status
 - **Involuntary inactive**—license is not renewed at the end of the license period
- **Voluntary inactive**
 - Individual is qualified for licensure but voluntarily chooses not to engage in the real estate business
 - May not perform any real estate services for compensation



Involuntary Inactive

- Individual previously qualified for current license status but did not renew before the license expired (other than the first renewal)
- When a current active or voluntary inactive license expires, the license reverts automatically to involuntary inactive status
- A license that has been on involuntary inactive status for more than two years expires automatically and becomes null and void without further FREC or DBPR action



Involuntary Inactive

- When a license has been involuntary inactive for 12 months or less, licensees must complete 14 hours of CE
- When a license has been involuntary inactive for more than 12 months but less than 24 months, licensees are required to complete 28 hours of a Commission- prescribed reactivation education course
- f. Licensees registered with a broker, whose license is suspended or revoked, are placed on involuntary inactive status



Registration

- To register, it is necessary to submit to the DBPR information about a person or entity so that the information can be entered in the DBPR database
- Citation authority for failure to register
- Registering sales associates under an owner-developer



Licensure

- To perform real estate services for compensation an individual must hold an active real estate license
- To be licensed, an individual must demonstrate real estate knowledge and competency by providing proof of education, experience, and passing the license exam.
- License serves as prima facie evidence (accepted on face value) that the licensee is licensed



Multiple License & Group License

- Multiple licenses are issued to brokers who qualify as the broker for more than one business entity
- Licensed brokers may have more than one active broker license
- Sales associates and broker associates may work for only one employer and therefore may not hold multiple licenses



Multiple License & Group License

- Issued to sales associates or broker associates who work for an owner-developer
- One employer (owner-developer)
- No distinction on the face of the license



Change of Address, Residency, and Business Address

- 10 days to notify DBPR of change in current mailing address
- Current mailing address is the current residential address a licensee uses to receive mail through the U.S. Postal Service
 - Licensees are required to provide a current e-mail address to the DBPR
 - Address of record is a licensee's current mailing address or e-mail address



Change of Address, Residency, and Business Address

- Brokers who change business address must notify the DBPR in writing within 10 days.
- Brokers must submit names of any sales associates who are no longer employed by the brokerage.
- A resident licensee who becomes a nonresident must notify the FREC within 60 days of the change in residency and comply with nonresident requirements.



Real Estate Services

- A BAR SALE
- Compensation
- Presumption of acting as a real estate broker



Real Estate Services

- Real property defined as any interest or estate in land and any interest in business
- enterprises or business opportunities, including any assignment, leasehold, sub leasehold, or mineral right
- Business brokers are real estate brokers who specialize in the sale of businesses
- Individuals who are exempt from a real estate license

