

# Obtaining a **TEXAS REAL ESTATE LICENSE**

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**REAL ESTATE CENTER**  
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## Contents

- 
- |           |  |
|-----------|--|
| <b>1</b>  | Steps for Obtaining a Texas Real Estate License  |
| <b>2</b>  | About Licensing  |
| <b>3</b>  | Educational Requirements   |
| <b>5</b>  | Application Process  |
| <b>8</b>  | Appendix A. Application for Inactive Sales Agent License   |
| <b>12</b> | Appendix B. Application for Moral Character Determination  |
| <b>15</b> | Appendix C. Sales Agent Sponsorship Form-1<br>When Applying for Sponsorship for the First Time                           |
| <b>18</b> | Appendix D. Texas Administrative Code<br>Persons and Activities that Do and Do Not Require an Active Real Estate License |

# Obtaining a Texas Real Estate License

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*A person commits an offense if the person acts as a broker or sales agent without holding a license . . . (Texas Occupations Code, Section 1101.758).*

## Steps for Obtaining a Texas Real Estate License

To engage in the practice of real estate, an individual must comply with the licensing requirements prescribed by the Texas Real Estate Commission (commission) but not necessarily in the following order:

- take and pass specific qualifying real estate courses;
- place fingerprints on file and clear a background check;
- apply for an inactive sales agent license with the commission;
- schedule and pass the real estate exam;
- obtain an inactive real estate sales agent license; and
- later receive an active real estate sales agent license under the sponsorship of a broker.

## Coursework

Taking and passing the real estate exam is probably the biggest hurdle. To qualify, an individual must meet the requirements described under "Education Requirements" outlined on page 3.

## Fingerprinting, Background Check

All applicants must have fingerprints on file with the FBI via the Texas Department of Public Safety (DPS). The fingerprints enable the commission to conduct a criminal background check. The process is administered by MorphoTrust USA. See page 5 for more details.

## Applying for Inactive License, Scheduling Exam

Because of the time and expense associated with taking and passing the coursework, many candidates delay applying for an inactive sales agent license until after they satisfy the education requirements. However, the application could be the first step.

The application starts the clock ticking. Candidates have one year after filing the application to complete all the necessary steps, including the taking and completing the coursework and passing the exam. Otherwise, they have to re-submit the application. The cost of each application exceeds \$200. That is why many make it the second or third step.

A hard copy of the application form can be found in **Appendix A**, page 8. Likewise an application form can be found online on the commission's website at [www.trec.state.tx.us/pdf/forms/real-est/SF2-1.pdf](http://www.trec.state.tx.us/pdf/forms/real-est/SF2-1.pdf)

If the application is accepted, the commission issues a confirmation of authorization to sit for the exam, assuming all the education requirements have been met. The applicant must then contact the test provider Pearson VUE to schedule the exam.

Pearson has test centers in 18 cities in Texas. The locations can be found on Pearson's website at <http://pearsonvue.com/tx/realestate/>. The examination may be scheduled at this site for a fee of \$54. The site contains a Texas Candidate Handbook that includes content outlines, study materials and updates for the exam.

When submitting the "Application for Inactive Sales Agent License," the applicant must disclose any criminal convictions, excluding misdemeanor traffic offenses. A felony conviction or a serious misdemeanor violation may disqualify the applicant from taking the exam.

## Abbreviations Used

### TREC

Texas Real Estate Commission. Also referred to as the commission.

### Pearson VUE

The private company under contract with TREC to administer the examination for obtaining a real estate license. It is also referred to as Pearson.

### Code

The Texas Administrative Code found in Title 22, Part 23, Chapters 531–543.

### Morpho Trust USA

The agency that collects fingerprints for TREC.

### CE

Continuing Education. Required coursework after receiving a broker or sales agent license.

For this reason, applicants with felony or misdemeanor convictions may wish to submit the Moral Character Determination Form (**Appendix B** on page 12) with the commission before starting the coursework or applying for an inactive sales agent license. See page 6 for more information.

### **Inactive Real Estate Sales Agent License**

After satisfying the education requirements, passing the exam, placing the fingerprints on file, and clearing the background check, the person receives an inactive real estate sales agent license without making any further applications to the commission.

### **Active Real Estate Sales Agent License**

After receiving an inactive sales agent license, the person needs to find a sponsoring real estate broker. Together, the applicant and the sponsoring broker complete and request sponsorship via an online tool or submit a “Sales Agent Sponsorship Form” (see page 7 for more information) to the commission (**Appendix C** on page 15). If the invitation or application is accepted, an active real estate sales agent license will be issued entitling the license holder to practice real estate under the sponsorship of the broker.

The person cannot legally provide real estate services until an active license has been issued.

### **Sponsoring broker education courses**

The sponsoring broker must attend, during the term of the current license, at least six classroom hours of broker responsibility education courses approved by the commission. The broker may use the hours to fulfill his or her CE requirements.

## **About Licensing**

### **Real Estate License Act**

The Real Estate License Act (act) was passed by the Texas Legislature in 1939. Presently, the act is found in Chapter 1101 of the Texas Occupations Code. Among other things, the act creates the Texas Real Estate Commission, the agency charged with administering the rules and regulations for obtaining a real estate license. In addition, the commission has rule-making

authority to carry out its mission. These administrative rules are in Title 22, Part 23 of the Texas Administrative Code (code) Chapters 531 through 543.

The commission consists of nine real estate commissioners appointed by the governor with the advice and consent of the senate. The commission maintains a full-time staff under an executive director to carry out the agency’s responsibilities. These responsibilities include overseeing the requirements for obtaining, issuing and renewing licenses for (1) real estate license holders, (2) real estate inspectors, (3) residential service companies, (4) timeshares, and (5) right-of-way agents.

### **License types**

The commission issues three types of real estate licenses. Here is the order in which they are issued.

The *inactive real estate license* is the preliminary step in obtaining an active real estate license. The commission’s rules allow an applicant to reach this stage without having a sponsoring broker. The holder of an inactive real estate license cannot practice real estate.

An *active real estate sales agent license* is the next step. This permits the holder to practice real estate under the guidance (sponsorship) of a person who holds a real estate broker’s license. During this tenure, the sales agent may not accept any compensation for a real estate transaction nor share a real estate commission except through the sponsoring broker.

A *real estate broker’s license* is the final step. After actively participating in Texas as a real estate sales agent for four of the five years preceding the application for a broker’s license; achieving 3,600 qualifying experience points; and completing 270 classroom hours of specific qualifying courses and 630 classroom hours of related courses acceptable to the commission; a person is eligible to take the real estate broker’s license exam.

A four-year college degree satisfies the requirements for 630 additional related classroom hours of education.

Additional information for obtaining a broker’s license can be found on the commission’s website.

### **Activities requiring active Texas real estate license**

An active license is required for anyone who performs specific real estate activities on another’s behalf for an actual or expected commission or other valuable consideration. These activities include:

- selling, exchanging, purchasing, or leasing real estate;
- offering to sell, exchange, purchase, or lease real estate;
- negotiating or attempting to negotiate the listing, sale, exchange, purchase, or leasing of real estate;
- listing, offering, attempting, or agreeing to list real estate for sale, lease, or exchange;
- auctioning, offering, attempting, or agreeing to auction real estate;
- buying, selling, or offering to buy or sell, or otherwise dealing in options on real estate, including a lease to purchase;
- aiding, attempting, or offering to aid in locating or obtaining real estate for purchase or lease;
- procuring or assisting in procuring properties for the purpose of selling, exchanging, or leasing real estate;
- selling, buying, leasing, or transferring an easement or right-of-way for use in connection with telecommunication, utility, railroad, or pipeline services;
- controlling the acceptance or deposit of rent from a resident of a single-family residential real property unit;
- providing a written analysis, opinion, or conclusion estimating the price of real property as long as: (1) it is not referred to as an appraisal, (2) it is provided in the ordinary course of the person’s business, (3) it is related to the actual or potential management, acquisition, disposition, or encumbrance of an interest in real property; or
- advising or offering advice to an owner of real estate concerning the negotiation or completion of a short sale.

Also, an active real estate license is required for anyone who charges an advance fee or collects a fee under a

contract to promote the sale of real estate. The promotion may be through a real estate publication or a referral.

Right-of-way agents must have an active real estate license **or** be registered with the commission to practice their profession.

### ***Activities, professions exempt from active license***

Certain people, professions, and related real estate activities do not require an active real estate license. The license act exempts:

- an attorney at law licensed in Texas;
- a person acting under a duly executed power of attorney when authorized to conduct not more than three real estate transactions annually;
- a public official in the conduct of official duties;
- a person calling the sale of real estate by authority of a Texas auctioneer's license, provided the person does not perform any other act of a real estate broker or sales agent as defined by the act;
- a person conducting a real estate transaction under a court order or under the authority of a will or a written trust instrument;
- a person employed by an owner to sell both the structures and the land on which the structures rest, provided structures are erected by the owner in the due course of the business;
- an on-site manager of an apartment complex;
- an owner or owner's employee who leases the owner's improved or unimproved real estate;
- transactions involving the sale, lease, or transfer of cemetery lots;
- transactions involving the lease or management of a hotel or motel;
- transactions involving the sale, lease, or transfer of a mineral or mining interest in real estate; or
- the sale of real property under a power of sale conferred by a deed of trust or other contract lien.

No real estate license is required when *engaged solely* in the following activities:

- constructing, remodeling, or repairing a home or other building;
- sponsoring, promoting, managing, or participating as a partner, principal, or financial manager of a real estate investment; or
- entering an obligation to pay another person who is secured by an interest in real property.

The act raises questions about other specific persons or activities that require a license or are exempt. To clarify some of these issues, the commission promulgated rules and regulations in the code. These are summarized in **Appendix D** on page 18. Anyone seeking an active real estate license may check to see if an activity falls within a requirement or an exception.

### ***Criminal and civil penalties***

Anyone failing to procure a required active real estate license faces both criminal and civil sanctions. As for the criminal sanctions, the person may be charged with a Class A misdemeanor. Penalties become more severe with subsequent violations. Civil penalties make the offender liable to the state for no less than the amount received or no more than three times that amount.

If the violator receives any compensation, the payer may recover a sum equal to but not greater than three times the payment in a civil suit. If the violator was promised a fee but received none, the unlicensed individual is precluded from using the courts to recover the fee, commission, or other promised remuneration.

In addition, when a person is engaged in or about to engage in conduct that violates the act, the county or district attorney or the commission, acting through the attorney general, may nullify or prohibit the activity.

### ***General qualifications for inactive real estate license***

Eligibility for an inactive real estate license requires the applicant to be:

- at least 18 years of age;
- a U.S. citizen or a lawfully admitted alien;
- a legal resident of Texas;
- competent; and
- able to satisfy the commission regarding his or her honesty, trustworthiness, and integrity.

In addition, the applicant must have completed the required education requirements.

Changing minority status does not eliminate the age requirement. For example, married women younger than 18 are no longer considered minors according to Texas law, but married women must still be 18 to qualify for a real estate license.

Competency, on the other hand, is determined solely by the applicant's score on the qualifying exam discussed later.

### ***Military service and Texas residency requirement***

Military service does not change a person's Texas residency status. Military personnel must establish legal residence elsewhere after leaving the service to lose Texas residency.

## **Education Requirements**

### ***Minimum requirements***

Each applicant must complete a minimum of 180 classroom hours of specific qualifying coursework. The following lists the required courses along with the minimum classroom hours that must be fulfilled for each one.

- Principles of Real Estate I (30 classroom hours)
- Principles of Real Estate II (30 classroom hours)
- Law of Agency (30 classroom hours)
- Law of Contracts (30 classroom hours)
- Promulgated Contract Forms (30 classroom hours)
- Real Estate Finance (30 classroom hours)

No credit may be awarded for taking the same qualifying course more than once within any two-year period.

Evidence of completing the coursework must be submitted with or after filing the application for an inactive sales agent license to be able to sit for the license exam.

### ***Education requirements waiver***

The commission can waive the education requirements when the applicant has been licensed in Texas as a broker or sales agent within six months preceding the date on which he or

she files the application. However, if the prior license was for a sales agent and not a broker, the applicant must show evidence of having successfully completed the same coursework that would have been required had the sales agent maintained the license without interruption during the same period.

### ***Classroom hours versus semester hours***

One semester hour equals 15 classroom hours. Completing a three-hour semester course equals 45 classroom hours.

### ***Classroom hours versus quarter hours***

One quarter hour equals ten classroom hours. The completion of a three-hour course under the quarter system equals 30 classroom hours.

Most qualifying education providers offer courses on a class-hour basis. Applicants must identify whether a completed course is stated in classroom hours, semester hours, or quarter hours and convert them to a common unit. Any combination of classroom hours, semester hours, or quarter hours is acceptable, provided they meet commission requirements.

The commission reduces all completed course work to a class-hour equivalency when analyzing the applicant's education requirements.

### ***Required qualifying courses***

The content of the five qualifying courses includes the following.

- **Principles of Real Estate I and II** (totaling 60 classroom hours) includes an overview of licensing as a real estate broker or sales agent; ethics of practice of a license holder; titles to and conveyance of real estate; legal descriptions; deeds, encumbrances, and liens; distinctions between personal and real property; appraisal; finance and regulations; closing procedures; and real estate mathematics. At least three of the classroom hours must be on federal, state, and local laws relating to housing discrimination, housing credit discrimination, and community reinvestment.

- **Law of Agency** (30 classroom hours) includes relationships between principal and agent, agent's authority, the termination of an agent's authority, the fiduciary and other duties of an agent, employment law, deceptive trade practices, listing or buying representation procedures, and the disclosure of agency.
- **Law of Contracts** (30 classroom hours) includes the elements of a contract, offer and acceptance, the statute of frauds, remedies for breach including specific performance, unauthorized practice of law, commission rules relating to use of adopted forms, and owner disclosure requirements.
- **Promulgated Contract Forms** (30 classroom hours) includes the unauthorized practice of law, broker-lawyer committee, current promulgated forms, commission rules governing use of forms, and case studies involving the use of forms.
- **Real Estate Finance** (30 classroom hours) includes monetary systems; primary and secondary money markets; sources of mortgage loans; federal government programs; loan applications, processes and procedures; closing costs; alternative financial instruments; equal credit opportunity laws; community reinvestment laws; and state housing agencies.

### ***Qualifying course details***

- A course presentation that exceeds 12 classroom hours per calendar day will not be accepted.
- A classroom course offered by a college, university, or qualifying education provider must have a final course examination or other form of final evaluation.
- A course may not concern primarily techniques or procedures used by a particular brokerage or organization.
- The commission may accept no more than one course with the same course title and level, or the same course content and level if repeated within two years.
- Except for distance education courses, the student must be

present in the classroom for the hours of credit granted or complete makeups as required by the provider or rules of the commission.

- The completion of a qualifying course taken as a distance education course cannot be reported immediately. A waiting period is required based on the number of credit hours claimed for the course. The time between the registration for the course and the time it is reported to the commission must be at least twice the number of hours claimed for the course. The same applies to license holders and education providers. For example, to report credit for a two-hour course, the time between the registration and the filing of the completion report must be at least four hours.
- For a distance education course, the student must pass a proctored final exam under controlled conditions where the student is positively identified and the test graded by the instructor.
- For classroom courses, the course must be taught in an area conducive to instruction, separate and apart from the work area such as in training rooms, conference rooms or assembly halls.

When evaluating courses for the education requirements, the commission may require an applicant to furnish materials such as course outlines, syllabi, and course descriptions to support credit applications. The commission may require official transcripts to verify completion of coursework.

### ***Sources of real estate education***

Pre-license and post-license courses can be taken at various community and junior colleges, universities, and commission-approved real estate schools. Local Boards and Associations of Realtors® also may offer courses that satisfy the commission's requirements. However, the board or association must first obtain approval from the commission to offer a qualifying course.

Providers of qualifying real estate courses may be found on the commission's website at [http://www.trec.texas.gov/education/examination/exam\\_pass\\_rates\\_rei.asp](http://www.trec.texas.gov/education/examination/exam_pass_rates_rei.asp). The providers are divided into three categories based

on their standing with the commission. The standing depends on their students' first-time pass rate.

The average of each provider's first-time pass rate of its students who took the exam for the last two years is compared to the overall first-time pass rate of all students who took the exam during the same period. The average is calculated monthly. Based on the resulting percentages, the schools are divided into three categories.

- 1) Those in good standing have a first-time pass rate of 80 percent or more of the average overall first-time pass rate.
- 2) Those subject to probation have a first-time pass rate between 50 per cent and 79 percent of the average overall first-time pass rate.
- 3) Those subject to revocation have a first-time pass rate below 50 per cent of the of the average overall first-time pass rate.

### **Commission education credit evaluation**

To be acceptable, courses must be completed at one of the following types of schools:

- college or university accredited by the appropriate regional accrediting body,
- professional trade association or real estate provider approved by the commission,
- state Associations of Realtors® (GRI courses only), or
- military or other government entity or other licensing agency (courses reviewed individually for acceptance).

### **Verification of education requirements**

When a person files an application for an inactive sales agent license, all the education requirements need not be met. A copy of the person's transcripts and certifications must accompany the application. The person files evidence of completing the remaining required courses at a later time. The person has one year from the time the application is filed to complete the coursework and pass the exam.

## **Application Process**

At some point in the process, the person must file an Application for an Inactive Sales Agent License in a form prescribed by the commission. A hard copy can be found in **Appendix A** on page 8.

The form may be filed electronically with the commission or by mail using a hard copy. Filing a hard copy costs an additional \$20 paper-filing fee.

The applicant must provide his or her current mailing address, telephone number and email address (if available) on the application. The applicant must notify the commission of any change in this information while the application is pending.

Other things the applicant must provide include driver's license number, employment history for the past five years, and a list of criminal offenses (felonies and misdemeanors, except traffic tickets). The applicant's Social Security number is required but kept confidential. All other information on the form may become public record.

By submitting and signing the application, the applicant authorizes the commission to investigate any information it deems necessary. The DPS is contacted to verify the applicant's criminal record. The Texas Guaranteed Student Loan Corporation (TGS LC) is contacted to see if a student loan is in default. State law prohibits renewing a license more than once after a license holder defaults on a student loan guaranteed by TGS LC. The commission may also check with the Attorney General's Office concerning unpaid child support. A real estate license can be issued, but not renewed, if the person is delinquent on child-support payments.

### **Applicant's criminal history**

An applicant convicted of a felony or serious misdemeanor may be ineligible for a real estate license. The act allows a determination of moral character **before** the applicant files any other paperwork with the commission. The Request for Moral Character Determination form (**Appendix B** on page 12) requires a \$50 filing fee. Applicants with no criminal history or serious misdemeanor need not file the form.

Civil judgments, criminal convictions, or bankruptcy proceedings will not automatically bar an applicant from obtaining a real estate license.

In addition to criminal convictions, an applicant must disclose to the commission pleas of guilty or *nolo contendere* (no contest) to a felony. Also, the disclosure must include whether the time for an appeal has lapsed or the judgment or conviction has been affirmed on appeal, regardless of whether probation or community supervision has been granted following the conviction or suspension.

As noted, the commission checks with the FBI and the DPS to see if the applicant's disclosure is correct. Nondisclosure of a felony or serious misdemeanor may cause denial of a license.

The commission may issue a provisional moral character determination based on reasonable guidelines adopted by the commission.

### **Fingerprinting**

Applicants must meet the fingerprinting requirement. A complete, legible set of fingerprints must be provided to the DPS. The prints must be in the FBI's required format and taken at a location approved by the commission.

To submit fingerprints, obtain a FAST Fingerprint Pass from the Texas Real Estate Commission's website. After downloading the FAST Fingerprinting Pass, contact MorphoTrust USA Enrollment Services for an appointment at its nearest location. There are approximately 140 locations found in seven regions of the state. The local Board of Realtors may be able to assist. A fee may be collected at the time the fingerprints are taken.

### **Causes of rejection**

The application will be rejected if:

- an incorrect filing fee or no filing fee is included,
- the applicant is not a citizen of the United States or a lawfully admitted alien,
- the applicant is not 18 years of age or older, or
- the applicant is not a resident of Texas.

According to the instructions on the form, the applicant must ensure that:

- information is printed in ink or typewritten,
- all requested information is provided,
- all questions have been answered,



- required signatures and signing dates are included,
- a **single** cashier's check, personal check, or money order per application payable to the commission for the appropriate fees is attached. One payment cannot be used to cover more than one application, and
- for online applications, follow directions regarding the required payment method.

An incomplete application will not be returned. A follow-up letter from the commission requests the additional information.

### **When processing stops**

An application is considered void and subject to no further processing if the applicant fails:

- to pass the real estate exam within one year from the date the application was filed,
- to submit the required fee within 20 days after the commission makes written request, or
- to provide fingerprints, requested information, or documentation within one year after the application is filed.

### **Application fees**

The current fees for an inactive sales agent license are detailed on the application form found in **Appendix A** or online. The fee varies depending on how the form is filed and whether the applicant has been fingerprinted previously for the commission.

For filing online, the base cost is \$205. If the applicant has been previously fingerprinted, an additional \$29.75 is required.

For filing a hard-copy application, the base cost is \$225 because of the added \$20 paper-filing fee. Again, if the applicant has been previously fingerprinted, an additional \$29.75 is required. The additional charge is for a subsequent background check.

### **Authorization to sit for exam**

The commission reviews and either rejects or accepts the application. If the education requirements have been met, the commission issues an authorization to sit for the examination. The commission also provides a link to the Pearson VUE website where the applicant can obtain information

for scheduling the exam online or by phone. The phone number for those without a computer is 800-997-1248.

A host of information is available on Pearson's website. The applicant can find the nearest test center by clicking *Find an Exam Center*. Other features include viewing old exams under *View Exam* and reviewing accommodations under *Test Accommodations* as well as downloading the *Candidate Handbook*, Content Outlines and a Study Guide.

*The Texas Real Estate Candidate Handbook* is a prime source of information for studying, scheduling, and taking the exam. Each candidate should familiarize themselves with this publication.

The candidate has one year from the time the application is filed with the commission to pass the exam. Any exam taken before or after this period will not count toward licensing.

### **Time between scheduling and taking exams**

Pearson VUE requires a minimum of 24 hours between scheduling and taking the exam. However, each test site has different days on which the exam is administered. For example, most centers give the exam one to two days per week for eight hours each day. Some give it three to four times a week. One location in Houston administers the exam five to six days a week. This should be considered by the applicant when scheduling the exam. No walk-ins are allowed.

### **Exam materials**

Before calling or going online, each candidate should have the following information on hand:

- legal name,
- physical mailing address, email address, and daytime phone numbers;
- TREC-ID# as shown on the eligibility letter received from the commission;
- the name of the examination which, in this case, would be the Sales Agent License that may still be referenced as the Salesperson License on Pearson's website; and
- the preferred examination date and test center.

### **Accommodating disabled applicants**

Pearson VUE provides reasonable and appropriate test accommodations to individuals with documented disabilities. These include a separate testing room, extra test time, and a reader or recorder for those who suffer from mobile or visual impairments.

Specific test accommodations should relate to the individual's functional limitations. For this reason, it is essential that the person requesting an accommodation provide a clear explanation of the current functional limitation and the reason for the accommodation. The request should include any supporting documentation from the professionals who diagnosed or treat the condition.

The request for special test accommodations should be made when scheduling the exam.

### **Admission, testing policies**

Candidates should arrive at the testing center at least 30 minutes in advance of the scheduled exam. This gives them time to complete any necessary sign-in procedures including being photographed, having their palms scanned and signing a Candidate Rules Agreement regarding cheating on or tampering with the exam.

Candidates must be prepared to show two (2) forms of current (unexpired) signature identification. The primary source must be a government-issued and photo-bearing one with a signature. The secondary source can be a Social Security card, debit, or credit card containing a valid signature. The name on the identifications must match exactly the name on the registry. The identifications must be in English.

Candidates will be given an opportunity to take a tutorial on the PC on which the exam will be administered. The time spent familiarizing themselves with the PC will not count against the examination time. Once the candidate is ready, the exam begins.

### **Items allowed at exam**

No personal items are allowed in the testing room. In fact, no personal items should be brought to the testing center but left at home or in the vehicle. Otherwise, they must be stored outside

the testing room. Pearson VUE is not responsible if they are lost or stolen during the exam.

Inadmissible personal items include, but are not limited to, cell phones, hand-held computers, personal digital assistants (PDAs) or other similar electronic devices, watches, purses, firearms, hats, coats, bags, notes, pens, and pencils. Likewise, no dictionaries, books, pagers, scratch paper or reference materials are permitted.

However, approved calculators are allowed and recommended. None will be provided. These include hand-held, battery- or solar-powered financial calculators. No calculator containing an alpha character will be allowed. A malfunctioning calculator is not grounds for challenging or asking for additional time on the exam.

No studying is allowed in the testing center. Visitors, children, family members, or friends will not be allowed. No eating, drinking, chewing gum, smoking, and/or making noise that disturbs other candidates is permitted.

Break policies are established by the exam sponsor. Most sponsors allow unscheduled breaks upon request and according to the sponsor's directions. However, the candidate may not access any stored material during the breaks.

### **Exam structure**

The exam consists of two parts, a national and a state. The national section contains 80 scored questions or items of which 10 percent involve mathematical calculations. An additional five questions are included but are not scored. Candidates have 150 minutes or two-and-a-half hours to complete the exam. They must answer 56 scored questions correctly to pass.

Candidates need to memorize the following mathematical facts to make calculations for the national portion of the exam. These facts will not be available otherwise.

- There are 43,560 square feet in an acre.
- There are 5,280 linear feet in a mile.

The state portion contains 30 scored questions and five to ten unscored ones. Candidates have 90 minutes to answer 21 scored questions correctly.

All questions are multiple choice and are approved by a panel of Texas real estate experts. Great care is taken to develop an exam that is fair, free of bias, and designed to measure the applicants' knowledge, skills, and abilities.

Candidates must take both parts of the exam the first time. After one part is passed, it need not be retaken if the candidate fails the other. Both parts must be passed within one year after the application for the license is filed with the commission. Candidates get three opportunities to pass both portions during the one-year period. After that, an additional 30 classroom hours of qualifying courses must be completed for each failed part of the exam. After completing the additional education courses, the candidate may then apply to retake the exam. Another fee of \$54 is required.

### **Test results**

Once the exam is completed and before leaving the test center, candidates receive a score report indicating either "Pass" or "Fail."

### **If applicant fails exam . . .**

Candidates who fail one or both sections may reschedule the exam. A minimum of 24 hours must be allowed between the time the exam is scheduled and taken. Again, the availability of the test center is a factor. A payment of \$54 is again required.

For those who fail, an analysis of the exam is provided on the score report indicating the candidates' areas of weakness. This should provide sufficient data for studying for the next exam. Candidates may contact the commission for more assistance.

For security reasons, a review of the actual questions administered to the candidate on the exam will not be divulged.

Remember, the commission allows only three attempts to pass both portions within one year from the time the application for the license was filed. Otherwise, additional coursework is required.

### **Score results printout**

Candidates may request a duplicate score report from Pearson VUE at no cost by completing the form in the handbook or emailing a request to [pearsonvuecustomerservice@pearson.com](mailto:pearsonvuecustomerservice@pearson.com). Otherwise, candidates may mail their request to:

Pearson VUE  
TEXAS REAL ESTATE  
DUPLICATE SCORE Request  
5601 Green Valley Drive  
Bloomington, MN 55437

### **If applicant passes both parts of exam . . .**

When an applicant passes both parts of the exam and satisfies all the other requirements, such as the determination of moral character and fingerprinting, the commission may send the applicant an inactive real estate license letter to their email address within two business days.

If all the requirements have not been satisfied, the commission will advise the applicant accordingly.

### **Applying for active real estate license**

After being notified that the person has an Inactive Sales Agent License, the new license holder needs to find a sponsoring real estate broker. Together, they must file a Sales Agent Sponsorship Form-1 with the commission. The form may be found online or in **Appendix C**. A filing fee is required.

**The applicant cannot act as a real estate agent until after the sponsorship form has been received and accepted by the commission.**

## **Appendix A**

### **Application for Inactive Sales Agent License**

Forms in this appendix may be duplicated and submitted to the Texas Real Estate Commission (TREC). Forms also can be downloaded from the TREC website, [www.trec.state.tx.us](http://www.trec.state.tx.us), with Adobe Acrobat Reader. The free software can be downloaded through a link on the TREC website.



TEXAS REAL ESTATE COMMISSION

P.O. Box 12188

Austin, Texas 78711-2188

(512) 936-3000

www.trec.texas.gov

APPLICATION FOR INACTIVE SALES AGENT LICENSE

(PLEASE READ ALL INFORMATION CAREFULLY)

DO NOT USE THIS FORM IF YOU WERE LICENSED AS A TEXAS BROKER OR SALES AGENT IN THE PAST TWO YEARS. USE THE REINSTATEMENT APPLICATION at www.trec.texas.gov.

- 1. To be eligible to file an application for a sales agent license, an individual must be a citizen of the United States, or a lawfully admitted alien, eighteen (18) years of age or older, and a legal resident of Texas or a legal resident of a municipality whose boundary is contiguous at any point with the boundary of a municipality in Texas. To obtain an active Texas real estate sales agent license, a person must: (1) satisfy current education requirements, (2) complete and file an application, (3) take and pass an examination, (4) get fingerprinted and meet the honesty, integrity and trustworthiness requirements, and (5) arrange for a broker sponsor. Detailed license requirements can be found online at www.trec.texas.gov/licenses/salesapp.asp.
2. Each license holder is required by law to have fingerprints on file with the Department of Public Safety (DPS) for TREC to satisfy the statutory requirement for honesty, trustworthiness, and integrity. Fingerprints on file for other agencies will not be accepted. For more information on fingerprinting requirements, including how to download a FASTPass and schedule and appointment, please visit www.trec.texas.gov.
3. Answer each question completely and submit copies of college transcripts or course completion certificates with this application. DO NOT SUBMIT ORIGINALS. The documents submitted to the Texas Real Estate Commission are not returned to the applicant. An incomplete application may be rejected and returned or require longer processing time.
4. ALL REQUIRED FEES MUST BE SUBMITTED WITH THE APPLICATION. AN APPLICATION SUBMITTED WITHOUT THE APPROPRIATE FEES WILL BE REJECTED AND RETURNED. All fees should be paid by CASHIERS CHECK, PERSONAL CHECK OR MONEY ORDER payable to the Texas Real Estate Commission. DO NOT PAY WITH CASH.

Table with 2 columns: Fee Name and Amount. Rows include TREC Application Fee (\$150.00), Texas Online Fee (\$5.00), Real Estate Research Center at TX A&M (\$40.00), Recovery Fund Fee (\$10.00), Paper Filing Fee (\$20.00), and Subsequent Background Check Fee (\$29.75 (If previously fingerprinted for TREC)).

ALL FEES LISTED ABOVE ARE NONREFUNDABLE

- 5. Once the complete application is received and processed and education is satisfied, the applicant will be notified of eligibility to sit for the examination. License examinations are administered by a national testing service contracted by TREC. The exam eligibility notification will have instructions for contacting the exam administrator and obtaining a copy of the Candidate Handbook. The Candidate Handbook contains information about the examination, study material, and instructions for making an exam reservation.
6. Before an active license can be issued, an applicant must be sponsored by a Texas real estate broker holding an active license. A sponsorship request form may be filed along with the application or after TREC notifies the applicant that an inactive license has been issued. Applicants and inactive sales agents are not authorized to act as real estate agents.
7. If the applicant has defaulted on a student loan with the Texas Guaranteed Student Loan Corporation (TG) and is not currently making payments under a repayment agreement, contact the Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100, Telephone: 1-800-252-9743, BEFORE filing an application. State law prohibits renewing a license after a license holder has defaulted on a student loan guaranteed by TG unless the license holder has entered into a repayment agreement with TG. A reinstatement application or renewal may be declined if TG has notified the agency that the applicant has defaulted on a student loan.

IF ALL REQUIREMENTS FOR A LICENSE ARE NOT MET WITHIN ONE (1) YEAR OF THE FILING DATE, THE APPLICATION WILL EXPIRE.

PRIVACY NOTICE

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
(2) Under Sections 552.021 and 552.023 of the Government Code, the individual is entitled to receive and review the information.
(3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



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APPLICATION FOR:

INACTIVE REAL ESTATE SALES AGENT LICENSE

Table with columns: FEE, RECEIPT NUMBER, AMOUNT, \$ TYPE, App#, File#, Entity #, License #. Rows include Application Fee (\$225.00) and Subsequent Background Check Fee (\$29.75).

DO NOT WRITE ABOVE THIS LINE

NOTE: ALL INFORMATION MUST BE TYPED OR PRINTED IN INK

This application is for an INACTIVE sales agent license. Before an active license can be issued, an applicant must be sponsored by a Texas real estate broker holding an active license.

1. Applicant's Full Name:(as it appears on driver's license)

Last First Middle

2. Applicant's Social Security No.:

Note: Section 231.302 of the Texas Family Code REQUIRES all applicants to disclose their Social SecurityNumbers (SSN) when filing an application.

3. Applicant's Mailing Address and Contact Information: (Post Office Box may be used)

Number, Street and Apt. No. -or- P.O. Box

City State Zip Code Phone Number

email:

4. Date of Birth:

Month Day Year

5. Sex: (check one)

M F

6. Ethnic Group:

Black White Hispanic Asian

Other (specify):

Decline to respond (default answer)

7. Have you been licensed as a real estate sales agent or broker in a state other than Texas within the last five (5) years?

Yes No

If the answer is YES, you must complete the applicable sections of the Background History Form located at http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf.

This document is available on the TREC website at www.trec.texas.gov



8. (a) Have you ever had a professional or occupational license in this state or any other state suspended, canceled or revoked, or ever surrendered such a license?  Yes  No  
 (b) Have you ever had an application for a professional or occupational license disapproved or denied in this state or any other state?  Yes  No  
 (c) Are there any disciplinary hearings or investigations pending against any professional or occupational licenses you hold in this state or any other state?  Yes  No

*If the answer to (a), (b), or (c) is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.*

9. Are there any unpaid judgments against you?  Yes  No

*If the answer is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.*

10. (a) Have you ever been convicted of a criminal offense? (Include all felonies and misdemeanors other than minor traffic tickets.)  Yes  No  
 (b) Have you ever been placed on parole, probation or community supervision (also known as deferred adjudication) regardless of whether the case was dismissed or you were discharged?  Yes  No  
 (c) Are there any criminal charges pending against you?  Yes  No

*If the answer to (a), (b), or (c) is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.*

11. Have you ever acted, or attempted to act, as a real estate broker or sales agent or appraiser in this state or in any other state at a time when not properly licensed? (Include all periods in which you acted either before obtaining a license or after a license may have expired.)  Yes  No

*If the answer is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.*

12. List below all names (maiden, aliases, nicknames, etc.) by which you have been known.

\_\_\_\_\_

\_\_\_\_\_

13. Attach photocopies of transcripts or course completion certificates with this application to satisfy the education requirements. Retain the original documents for your personal files. The documents that are submitted with this application will not be returned to the applicant.

**NOTE** State law prohibits the agency from renewing a license if a license holder has defaulted on a student loan guaranteed by the Texas Guaranteed Student Loan Corporation (TG) unless the license holder has entered into a repayment agreement with TG. YOU SHOULD CONTACT TG BEFORE FILING THIS APPLICATION if you have defaulted on a student loan. A renewal may be declined if this agency has received information from TG that the applicant has defaulted on a student loan. The Texas Guaranteed Student Loan Corporation can be contacted at: Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100, Telephone: 1-800-252-9743

## STATEMENT OF SALES AGENT APPLICANT

I certify that I am eighteen (18) years of age or older; that I am a citizen of the United States or a lawfully admitted alien; and that I am a legal resident of Texas or a legal resident of a municipality whose boundary is contiguous at any point with the boundary of a municipality in Texas. I certify that I have examined this application and the answers given are true, correct and complete. I understand that providing answers that are not true, correct, and complete is grounds for disapproval of this application or revocation of my license. I authorize the Texas Real Estate Commission to conduct any investigations of me which it deems prudent. I understand that information revealed in an investigation may be cause for disapproval of the application even though other requirements for a license have been met and that **if an investigation is necessary, it may not be conducted until I have passed the examination.** I further understand that information submitted in conjunction with this application may be subject to public disclosure or inspection in accordance with the Public Information Act (Chapter 552, Government Code). If granted a license, I will abide by the provisions of The Real Estate License Act and the Rules of the Texas Real Estate Commission.

I understand that the contents of the qualifying examination are confidential and that revealing questions and answers to another applicant or to any person associated with a school or examination preparation course is grounds for disapproval of this application or revocation of my license. If I am asked to reveal the contents of an examination, I will not do so.

I CERTIFY THAT I WILL NOT PERFORM ANY ACT OF A REAL ESTATE SALES AGENT UNTIL AN ACTIVE TEXAS REAL ESTATE COMMISSION LICENSE CERTIFICATE IS IN MY SPONSORING BROKER'S POSSESSION.

\_\_\_\_\_ Date \_\_\_\_\_ Applicant's Signature

**Appendix B**  
**Application for Moral Character Determination**

Forms in this appendix may be duplicated and submitted to the Texas Real Estate Commission (TREC). Forms also can be downloaded from the TREC website, [www.trec.state.tx.us](http://www.trec.state.tx.us), with Adobe Acrobat Reader. The free software can be downloaded through a link on the TREC website.



# Texas Real Estate Commission

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Austin, Texas 78711-2188  
512-936-3000 www.trec.texas.gov

## MORAL CHARACTER DETERMINATION (MCD)

FEE	RECEIPT NUMBER	AMOUNT	MONEY TYPE	App#	File#
Application Fee		\$50.00		Entity #	License #

DO NOT WRITE ABOVE THIS LINE

NOTE: ALL INFORMATION MUST BE TYPED OR PRINTED IN INK  
A MCD form must be accompanied by the Background History Form.

NOTE: A nonrefundable fee of \$50.00 is required with the MCD. The fee should be submitted as one (1) chec or money order in the exact amount of \$50.00 made payable to the Texas Real Estate Commission. Failure to submit the required fee and/or Background History Form will cause the MCD to be returned. The MCD should NOT be filed at the same time as an application for a license or if an application for a license is pending.

**1. FULL NAME:** \_\_\_\_\_  
Last, First, Middle

**2. SOCIAL SECURITY NUMBER:** \_\_\_\_\_

NOTE: Section 231.302 of the Texas Family Code REQUIRES all applicants to disclose their Social Security Numbers (SSN). The SSN that is provided will be confidential and is required to enforce Child Support orders.

**3. ADDRESS AND CONTACT INFORMATION:** (Post Office Box may be used)

\_\_\_\_\_  
Number, Street and Apt. No. or P.O. Box

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Area Code

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Email Address

**4. DATE OF BIRTH:** \_\_\_\_\_  
Month Day Year

**5. SEX:** (check one)  
 M  F

**6. Ethnic Group:**  Black  White  Hispanic  Asian  
 Other (specify): \_\_\_\_\_

**7. Are you a citizen of the United States or a lawfully admitted alien?**  Yes  No

**8. If you are a lawfully admitted alien, are you permitted to work in the United States?**  Yes  No

**9. Have you ever been licensed in Texas as a real estate salesperson, broker or inspector?**  Yes  No  
If the answer is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.

**10. Have you been licensed as a real estate salesperson, broker, or inspector in a state other than Texas within the last five (5) years?**  Yes  No  
If the answer is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.

This document is available on the TREC website at [www.trec.texas.gov](http://www.trec.texas.gov)



11. (a) Have you ever had a professional or occupational license in this state or any other state placed on probation, suspended, cancelled or revoked, or ever surrendered such a license?  Yes  No
- (b) Have you ever had an application for a professional or occupational license disapproved or denied in this state or any other state?  Yes  No
- (c) Are there any disciplinary hearings or investigations pending against any professional or occupational licenses you hold in this state or any other state?  Yes  No
- If the answer to (a), (b), or (c) is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.*

12. Are there any unpaid judgments against you?  Yes  No
- If the answer is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.*

13. (a) Have you ever been convicted of a criminal offense? (Include all felonies and misdemeanors other than minor traffic tickets)  Yes  No
- (b) Have you ever been placed on parole, probation or community supervision (also known as deferred adjudication) regardless of whether the case was dismissed or you were discharged?  Yes  No
- (c) Are there any criminal charges pending against you?  Yes  No
- If the answer to (a), (b), or (c) is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.*

14. Have you ever acted or attempted to act, as a real estate broker, salesperson, inspector or appraiser in this state or any other state at a time when not properly licensed? (Include all periods in which you acted either before obtaining a license or after a license may have expired.)  Yes  No
- If the answer is YES, you must complete the applicable sections of the Background History Form located at <http://www.trec.texas.gov/pdf/forms/miscellaneous/BackgroundHistory.pdf>.*

15. List below all names (maiden, aliases, nicknames, etc) by which you have been known.

_____	_____
_____	_____
_____	_____

### CERTIFICATION OF APPLICANT

I certify that I have examined this MCD form and the answers given are true, correct and complete. I authorize the Texas Real Estate Commission to conduct any investigations of me which it deems prudent. I further understand that information submitted in conjunction with this form may become a public record. **I request the Texas Real Estate Commission to determine if my moral character complies with the requirements for licensing under Sections 1101.353 or 1102.106, Texas Occupations Code.**

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Signature

#### PRIVACY NOTICE

In accordance with Chapter 559, Government code, the following notice about certain information laws and practices is given.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
- (2) Under Sections 552.021 and 552.023 of the Government Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.

**Appendix C**  
**Sales Agent Sponsorship Form-1**  
**When Applying for Sponsorship for the First Time**

Forms in this appendix may be duplicated and submitted to the Texas Real Estate Commission (TREC). Forms also can be downloaded from the TREC website, [www.trec.state.tx.us](http://www.trec.state.tx.us), with Adobe Acrobat Reader. The free software can be downloaded through a link on the TREC website.



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SALES AGENT SPONSORSHIP FORM-1

CHANGE BROKERS OR GO FROM INACTIVE TO ACTIVE STATUS online at www.trec.texas.gov for a \$20.00 fee.
When using this form, a paper filing fee is required for a total of \$40.00.

Table with columns: FEE, RECEIPT NUMBER, AMOUNT, \$ TYPE, App#, File#, Entity #, License #. Row 1: Processing and Paper Filing Fee, \$40.00.

DO NOT WRITE ABOVE THIS LINE

Sales Agent's Name: Last First Middle License Number

Sales Agent's Mailing Address

City State Zip

E-mail address Telephone Number

1. SALES AGENT: CHECK ONE BOX ONLY, SIGN AND DATE

(A) SALES AGENT CHANGING BROKERS

My association with (former sponsoring broker) has terminated.
I wish to enter the sponsorship of the broker named below. I certify that I have given my former sponsoring broker written notice of the termination as required by TREC rules.

Sales Agent's Signature Date

(B) INACTIVE SALES AGENT GOING ACTIVE

I am not currently sponsored by a broker. My sales agent license is inactive but not expired. I wish to enter the sponsorship of the broker named below. I understand that TREC will not issue a license until fingerprinting and applicable Continuing Education (CE) requirements are met. I certify that I will not act as a sales agent until after this sponsorship form has been received and accepted for processing by TREC. I certify that I have not engaged in activity requiring a license at any time when my license was inactive.

Sales Agent's Signature Date

2. STATEMENT OF SPONSORING BROKER

I CERTIFY THAT I HOLD AN ACTIVE Texas real estate broker license and agree to serve as a sponsor and to be responsible for the real estate brokerage activities of the above named person. If applicable, I will not permit the sales agent to practice as a real estate agent for me until the sales agent has satisfied fingerprinting and applicable CE requirements and this sponsorship form has been received and accepted for processing by TREC. Please issue a new license reflecting this designation of sponsorship.

Sponsoring Broker's Name (Individual/Business Entity) as shown on license Sponsoring Broker's License Number

License expiration date Telephone Number

Broker's Printed Name\* Broker's Signature\* Date

Designated Supervisor's Printed Name\*\* Designated Supervisor's Signature\*\* Date

\*If Business Entity: Printed name and signature of designated broker are required. \*\*Designated Supervisor under TAC 22 §535.2(e).

This document is available on the TREC website at www.trec.texas.gov

**PRIVACY NOTICE**

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
- (2) Under Sections 552.021 and 552.023 of the Government Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.

**Appendix D**  
**Texas Administrative Code**  
**Title 22, Part 23, Chapters 535.4, 535.5, and 535.20**

## **Persons and Activities that Require an Active Real Estate License According to the Code**

- Any person acting as a real estate broker or sales agent while physically within Texas regardless of the locations of the real estate or the residence of the person's customer or client. By the same token, any person conducting a brokerage business from another state by mail, telephone, the Internet, email or other medium is "acting within Texas" if the real property is located wholly or partly in Texas.
- A person who solicits listings or negotiates for listings in Texas,
- A person who shows a listing in Texas.
- A person who supervises other persons who perform acts for which a license is required.
- A person who controls the acceptance or deposit of rent from a resident of a single-family residential real property unit if the person has the authority to:
  - (1) use the rent to pay for services related to the management of the property,
  - (2) determine where to deposit the rent or
  - (3) sign checks or withdraw money from a trust account.For definitional purposes, a single-family residential unit includes a single-family home or a unit in a condominium, cooperative, row-house or townhome. The term does not include a duplex, triplex or four-plex unless the units are owned as a condominium, cooperative, row-house or townhome.
- A person who operates a rental agency.
- A person who arranges for a tenant to occupy residential property when the person:
  - (1) does not own the property or lease the property from its owner,
  - (2) receives valuable considerations and
  - (3) is not otherwise exempt under the act.
- A person who receives a fee or other consideration for assist-

ing another person to locate real property for sale, purchase, rent or lease, including the operation of a service that finds apartments or homes.

- A person who compiles and distributes information about rental vacancies or property for sales, purchase, rent or lease if the payment of any fee or other consideration received by the person who compiles and distributes the information is contingent upon the sale, purchase, rental or lease of the property. An advance fee is a contingency fee if the fee must be returned if the property is not sold, purchased, rented or leased.
- A person who, for compensation:
  - (1) advertises for others regarding the sale, purchase, rent or lease of real property,
  - (2) accepts inquiries received in response to such advertisements and
  - (3) refers the inquiry to the owner of the property.
- A subsidiary corporation that, for compensation, negotiates in Texas for the sale, rent or lease of the parent corporations's real property.
- A person who refers a prospective buyer, seller, landlord or tenant to another person in a proposed real estate transaction when valuable consideration is expected for the referral. "Valuable consideration" includes, but is not limited to, money, gifts of merchandise having a retail value of greater than \$50, rent bonuses, and discounts.
- A business entity owned by a broker or sales agent which receives a commission on behalf of the license holder.

## **Persons and Activities that Do Not Require an Active Real Estate License According to the Code**

- A person who acts as a principal in a transaction and buys, sells, leases or subleases real property for his or her own private interest or account whether or not for profit.
- A person who acquires an option or contract to purchase real estate and then sells the option or

contract, or offers to sell the option or contract, provided that the person does not use the options or contracts to purchase or engage in the real estate brokerage business.

- A person who sells or conveys his or her undivided interest in jointly-owned property. However, if the person acts on behalf of another co-tenant in conveying his other undivided interests for actual or expected compensation, a licensed is required.
- A person employed not as an agent but an employee by a business entity to buy, sell or lease property owned by the entity.
- A trade association or other organization that provides an electronic listing service for its members, but do not receive compensation when the real estate is sold.
- An auctioneers who auctions real property for sale as long as the person does not show the real property, prepare offers or negotiate contracts.
- An answering service or clerical or secretarial employees identified to callers as such to confirm information regarding the size, price and terms of advertised property.
- A person hired as an employee as a host or hostess at property being offered for sale by a broker, provide the person does not engage in any activity for which a license is required.
- A person is not required to be licensed if all four of the following conditions are met:
  - (1) The person engages in selling goods and services to the public,
  - (2) The person sells the goods or services to a real estate licensee who intends to offer the goods or services as an inducement to potential buyers, sellers, landlords and tenants,
  - (3) The person who sold the goods and services to the real estate licensee thereafter refers customers to the licensee and
  - (4) The payment for the goods and services by the real estate licensee is not contingent on the consummation of a real estate transaction by the persons being referred.



MAYS BUSINESS SCHOOL

Texas A&M University  
2115 TAMU  
College Station, TX 77843-2115

online at [recenter.tamu.edu](http://recenter.tamu.edu)  
979-845-2031

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