

STATE EXAM

- Pre license education requirements from 54hrs to 90 hrs and added a 30 hour post license education requirement.
- License is on a 3 year cycle
- IREC (Indiana real estate commission)
- 12 members on the IREC all are pointed by the governor to 4 year terms.
- Commission members must be residents of the state
- There are 9 district member, 1 per congressional district, they must be license brokers for at least 5 years, live in their district for at least one year
- Three at large members (not licensed they are citizen members.)
- Licenses/renewal fees and fines are handles by PLA (Indiana professional licensing agency
- Commission does not rule on or resolve disputes between licensees over fees. These are civil and handled through arbitration or the courts
- Only commission can license or regulate real estate licensees.
- If it involves in a fee for a service it falls under the Indiana real estate commission
- You have to have a real estate license to sell, buy , trade, exchange, option, lease, ren, manage, list , consult, appraise, practice business brokerage.
- Do not require licensure: attorneys practicing law, rental for less than 30 days by the hotel motel industry, apartment rental by those employed or supervised by a licensed broker or broker company, apartment rental of a 12 unit or less complex, owned and managed by that individual where all 12 units are on one or adjoining parcels, cross state referrals by licensees of other states to/from Indiana brokers.
- Appraisals: brokers may perform certain estimates of value or appraisals for a fee but few vendors can or will use them for a loan purposes. Banks generally require loan appraisals to be performed by licensed appraisers. If a broker performs an estimate of value or appraisal for a fee they must follow USPAP guidelines.
- Selling agent- represents the buyer
- Sellers agent represents the seller
- Limited agent AKA dual agent
- Active or referral assigned to a managing broker/firm
- Inactive and unassigned held by the commission
- Brokers license-must complete and pass a commission approved 90 hour broker pre license, pass state broker exam then apply for license. Must complete 30 hours of prescribed post license education during their first two years regardless of status. 120 hour proposition
- Managing broker must be under a managing broker for 2 years and complete the approved 24 hour managing broker course prior to application
- Regardless of status all license must be renewed when prescribed with applicable fee to be maintained.
- CE-active and unassigned status licensees must complete CE for renew.

- License cycle refers to 3 year cycle July 1 will expire June 30 three years later _07/17/17-06/30/20)
- License year aka education year or CE year 12 month cycle July 1st through June 30th of the next year within a 3 year license cycle 12 hours CE. 36 hours each 3 year cycle to be eligible or renewal. At least 12 hours of commission approved CE per license year (07/01/18-06/30-19)
- 12 hours CE each license year must be completed during that 12 month period running from July 1st one year to June 30th.
- Managing broker needs 4 of 12 CE required each license year to be in courses related to the business and management skills as well as legal knowledge.
- Instructors/educators pre license and CE 4 of the 12 hours of CE required each license year in course specific to providing real estate instruction.
- Inactive status no CE requirements
- Commission allows two successive renewal periods. Licensee fails to affiliate with a managing broker within time frame, the commission shall give the licensee 30-day notice to do so or the license becomes void
- Active an inactive or referral license during 3 year license cycle first obtain 12 CE hours required for that specific license year or CE year.
- Brokers must obtain 30 hours of post license education during the 1st two years of licensure regardless of status.
- Managing broker who has the ultimate responsibility to information the commission within 5 business days of these changes (brokerage affiliation(changing firms), license status, business or home address.)
- Reciprocity- applicant license in other states may request from the commission a waiver allowing them to take only the license law portion of Indiana state exam.
- Licensees must now report criminal convictions. Copy of the complaint and the judgement within 30 days of the conviction.
- Commission randomly audits licensees for such things as CR, escrow, agency disclosure and fair housing compliance.
- Alleged violation the commission will review the complaint to confirm the allegation would even be a violation. Hearing to determine the facts, guilt, and then what if any sanctions. Attorney general office assist and represent the commission
- Class A infractions- acting as broker without a license, an unapproved real estate school
- Incompetent practices- failing to account for and or remit any funds or documents belonging to others that come into the licensee's possession. Receiving, accepting, or giving an undisclosed direct profit on expenditures made in conjunction with a real estate transaction. Guaranteeing, authorizing, or permitting any person to guarantee future profits which may result from the purchase and or resale of real property.
- Accepting employment or compensation contingent upon the issuance of an appraisal report at a predetermined value, going after peoples listings, under more than one managing broker, paying a commission or otherwise compensating a person who is not license for performing services that by law require a license, committing an y act of fraud or misrepresentation,

convicted of a crime. License must now disclose to the commission any criminal convictions within 30 days, unlawful discriminatory practice Indiana civil rights or violation of fair housing laws.

- Discipline/sanctions will be applied general after a hearing committed a class a infraction, incompetent practice or failed to comply professional standards.
- Revocation- commission may revoke a license. Revoked license may not be reinstated, and you can reapply at 7 years.
- Suspension- commission may suspend a license for specified period of time. Such as one year. May be reinstate
- Place licensee on probation and require licensee to – make regular reports to the commission, limit the scope of the licensee practice, obtain additional continuing education in areas causing problems, perform or refrain from performing specific acts, including community restitution or service without compensation, complete rehabilitation and or treatment, civil penalty of up to \$1000 per violation involving incompetence to physical or mental disability, failure to comply commission can impose fine of up \$5000
- Commission may summarily suspend license without a hearing up to 90 days prior to final adjudication or appeal. Clear and immediate danger to the public health, safety, or property. Suspension may be renewed on 90 day only after a hearing. Suspended license may be reinstated after a hearing, if board satisfied that applicate is able to practice with reasonable skill, safety, and competency to the public
- Child support behind on payments by be put on probation and eventually suspension until paid in full
- Commission may suspend or revoke the license or deny the application who has been convicted of these specific crimes, possession of illegal drug , manufacture of or dealing paraphernalia as a class d/level 6 felony, sex crimes
- Commission shall suspend or revoke the license or deny the application dealing or manufacture illegal drug and controlled substances
- Revoked license may not reinstated must wait 7 years to reapply but no obligations
- Licensee may request to voluntarily return license to the commission to avoid hearing but only with the approval of the commission.
- Licensee receiving sanctions required to reimburse the commission for cost associated with hearing but not the hear itself. Court reporters, transcripts, and depositions, document certification, witness expenses, postage.
- Recovery fund help protect consumers from losses sustained by the criminal wrongdoing of Indiana licensee. If the fund exceeds 750000 the excess reverts to the state general fund
- Claimant must notify commission of the initial court action against the licensee. The claimant must file court action within 2 years of the alleged act, win a judgement, exhaust all other legal remedies within 1 year before then seek payment from the recovery fund by initiation a claim to the commission in writing within one year of final court judgement
- Listing agreement must have definite expiration date one copy to owner within 3 days of signing

- Offers to purchase should at least quadruplicate 4+ copies distributed as one copy five to prospective purchasers at the time of signing offer, 1 copy for managing broker files, 1 copy for the sellers, 1 copy to be returned to purchasers after acceptance rejection.
- Managing broker shall deliver to their clients completed detailed closing statement showing all receipts. True copies of these shall be retained for the least 5 years.
- Listing managing broker and selling managing broker their licensed must attend all closing.
- Any and all advertising the brokers name must contain the name of the broker company they are associated with and the broker company name must be clearly visible.
- Psychologically affected the owner/listing agent are not required to disclose these issues they just can't lie in response to a question
- Managing broker and broker companies enforce the use of a written office policy on agency types of agency relationships the firm and its associate's practice. Who is representing whom. Types of agency relationship the firm will enter into, advise clients/customers of the possibility and nature of limited agency that they do not have to agree to it, be provided to prospective clients/customers prior to their disclosure of confidential information. Advise clients/customers if the broker will share any commission with other brokers, the payment of a fee/commission does not establish an agency relationship
- Listing agent represents the owner, seller, or landlord must not disclose if the owner will accept less, must not disclose owner's motivation to sell or lease, must not disclose confidential information, must treat buyers/tenants honestly and not give false information, may list competing properties, may show competitive properties to buyer/tenants.
- Selling agent represents the buyer or tenant must not disclose if they will pay more than the offered price, must not disclose buyer's/tenant's motivation to buy or lease, must not disclose material or confidential information, must treat owners honestly and not give false information, may represent other buyer or tenants.
- In house agency neither agent has oversight over the other.
- Indiana residential seller disclosure form- Distribution of signed disclosure form the sellers sign the form and the buyer must receive a signed copy prior to acceptance of their offer.
- Unlicensed persons can not – prepare ads or promotional materials without the review or approval of the employing licensee, show property or hold open houses, answer questions from customers or clients about properties other than those concerning list price, address or geographic directions, discuss or explain contracts, conduct telemarketing, negotiate or discuss and commission. Unlicensed assistants and unlicensed team members can be paid hourly, salaried or by the project they may not be paid in a transactional fashion like a commission.