

ARIZONA DEPARTMENT OF REAL ESTATE

EMPLOYING BROKER CHANGE FORM

This form is **NOT** for SALESPERSON or ASSOCIATE BROKER changes.

ORIGINAL SIGNATURE REQUIRED FOR IN OFFICE PROCESSING. DO NOT SUBMIT THIS APPLICATION BY FAX OR E-MAIL UNLESS A BROKER SPECIALIST INSTRUCTS YOU TO DO SO. SOLE PROPRIETORS DO NOT NEED AN APPOINTMENT TO PROCESS A SOLE PROPRIETORSHIP. ALL REQUESTED DOCUMENTATION MUST BE SUBMITTED AT TIME OF APPOINTMENT (If an in office appointment is necessary), FOR PROCESSING. EMAIL broker.specialist@azre.gov for new entities, designated broker changes, and any broker inquiries before you make any changes, severances, or transfers to any license or licensee record. Employing Brokers are businesses such as Sole Proprietorships, Corporations, Limited Liability Companies and Partnerships.

BROKER SPECIALIST ASSISTANCE

Contact a broker specialist in person or by email before submitting this packet to ADRE for processing. ADRE wants to ensure that your request is researched and reviewed accurately. Email all new entity requests, designated broker (DB) change requests, and all broker inquiries to broker.specialist@azre.gov.

ENTITY (BROKERAGE) NAME RESERVATION FORM - The Legal Entity Name and DBA (Doing Business As) name, if any, **MUST be approved by The Arizona Department of Real Estate** even if the Corporation Commission or Secretary of State has approved the name. It may not be available for use. If approved, the name will be reserved for 45 calendar days. If denied, you must resubmit until a name is approved. Limit reservations to one Legal and one DBA. Multiple requests not accepted.

SEVERING LICENSEE'S – DO NOT sever yourself, transfer, or sever any agents or close any offices until a Broker Specialist instructs you to do so. If agent cannot be severed online, DB must submit paper form with in office fees.

3. **LEGAL PRESENCE** – As of October 2008 **ALL LICENSEE'S** must prove legal residency. Acceptable documents as outlined by the legislation are online at www.azre.gov.
4. **BROKER MANAGEMENT CLINIC** - Designated Brokers or incoming DB must have attended a Broker Management Clinic within the past 23 months in order to qualify as a DB. Submit copy along with this form.
5. **TITLE COMPANY OR TRUST ACCOUNTS** – Designated Broker should have a Trust Account set up and account information ready for submittal to ADRE before processing. If you are not using a Trust Account, please mark Title Company.
6. **FEDERAL TAX ID NUMBER OR EIN NUMBER** – EIN Number it should be on record with ADRE.

BUSINESS LEGAL NAME OR DBA NAME ADD OR CHANGE REQUEST

- Name change of either Business Legal Name or DBA Name, if any, must be approved by ADRE prior to filing an employing broker change request. Complete and submit the **Business Name Approval Form** by fax to 602-955-6284 or submit in person. Upon review, an approved name may be "RESERVED" with ADRE for approximately 45 days. **Allow 2 weeks for research and processing name requests. Requests processed on a first come first served basis. ADRE cannot expedite.**
- Complete the **Employing Broker Change Form** for the **Change Being Made**. Attach a copy of the name approval and a employee roster for every office affected by the name change. (Print employee roster from the Public Database, visit our website at www.azre.gov.) Search the Public Database by DB's name, broker's license number, Entity Name, or entity license number.
- **Changing Legal Name:** If original articles are not amended to reflect name – and you have original articles – this is not a name change but an original entity and must be processed as such. Name changes are processed as follows.
 - For a Corporation or an LLC (*not a PC/PLLC*), submit a copy of the Articles of Amendments from the Arizona Corporation Commission which are stamped "FILED" showing the change made. A "RECEIVED" stamped copy will only be accepted with an expedited receipt directly from the Arizona Corporation Commission and may be held until the change has been made on the ACC website.
 - For a Partnership, submit a copy of the addendum / amendment to the Partnership Agreement showing the change.

FEES - FEES MAY CHANGE WITHOUT NOTICE. Visit www.azre.gov for an up to date fee schedule.

INACTIVE STATUS BROKER CHANGING TO - ACTIVE STATUS DESIGNATED BROKER (FOR AN INACTIVE ENTITY)

- Submit Unlawful License Activity Statement Form.
- Complete Employing Broker Change form as DB (of entity) – Change Being Made – To Active Status.
- Leave **Change From** side blank. Unless resigning as Sole Proprietor or DB from another entity, then you need to complete **Change From** side with business information you are departing from.
- Complete **Change To** side with current business information you're moving your license to.
- Provide proof of attendance at a Broker Management Clinic within the preceding 23 months.
- Provide new resolution signed by all members, managers, or officers as described below.

ACTIVE STATUS DESIGNATED BROKER CHANGING TO INACTIVE STATUS

- Submit a letter of resignation as the designated broker or sole proprietor of departing entity. Once submitted be aware that your license will be placed in inactive status until further action is taken to change the status of employment. Associate broker's can hire online from their personal page.
- Sever all employees on Salesperson/Associate Broker Change form, (in office fees do apply), or by using the Online Licensing System. All Associate Brokers and Salesperson's can hire online from their personal page.

EMPLOYING BROKER CHANGE FORM

Continued

ASSOCIATE BROKER STATUS CHANGING TO DESIGNATED BROKER STATUS

For a Corporation, LLC, Partnership, or Foreign Entity

- If you are a Branch Manager - Submit a paper severance signed by your current DB to sever you as an associate broker and remove branch manager status. Use the Salesperson/Associate Broker Change form.
- If you are not a branch manager, sever online from your personal page.
- Complete Employing Broker Change form as new designated broker or an original entity or Designated Broker Change if changing DB.
- Provide proof of attendance at a Broker Management Clinic within the preceding 23 months.
- Provide new resolution (described below).

Designated Brokers utilizing a Professional Corporation (PC) or Professional Limited Liability Company (PLLC) - Designated Brokers that hold a PC or PLLC status **CANNOT** share said PC or PLLC with any other person or persons. If incoming DB shares a PC or PLLC with any other person or persons must have the PC or PLLC amended to remove additional persons or have DB removed from said PC or PLLC and must submit the amended articles prior to setting the DB in place. See form LI-231 Application for Real Estate Salesperson or Broker PC/PLLC Application for requirements. See **A.R.S. §§ 32-2125, 32-2136 and A.A.C. R4-28-302 & R4-28-303.**

ASSOCIATE BROKER STATUS CHANGING TO SE STATUS (SOLE-PROPRIETORSHIP)

- Submit Business Name Approval Form if using a DBA
- Complete Broker Change Form - Change Being Made – To Sole-Proprietorship – Leave **Change From** side blank. Complete **Change To** side with current business information you are moving to.
- **Branch Manager Status Associate Brokers** must submit a Salesperson / Associate Broker Change Form (LI-202) for severance with current DB signature. All other associate brokers can use the Online Licensing System.
- Provide proof of attendance at a Broker Management Clinic within the preceding 23 months.

EMPLOYING BROKER BUSINESS ADDRESS CHANGE

- Complete Employing Broker Change Form - Change Being Made – Business Address or Mailing Address Change. Complete **Change From** side with old business address information. Complete **Change To** side with updated information only.
- Attach current employee list or roster from the public database.

DESIGNATED BROKER CHANGING TO SE (SOLE PROPRIETORSHIP) STATUS

- Submit a letter of resignation as current designated broker of employing entity.
- Complete Employing Broker Change Form - Change Being Made – From Sole Proprietor. Complete **Change From** side with business information you are departing from. Complete **Change To** side with sole proprietorship information.
- Submit Salesperson /Associate Broker Change Form to sever any or all **branch manager** status agents from departing entity. All other agents can submit a form in office or use the Online Licensing System to sever.
- If a DBA name is to be used, the DBA name must be approved by ADRE before submittal of any documentation. Submit Business Name Approval Form (LI-213) by fax to 602-955-6284. Allow 2 weeks for research and processing.
- Submit a copy of Broker Management Clinic. This certificate is only valid for 24 months and must be valid upon submittal.

ENTITY'S CHANGE OF DESIGNATED BROKER

- Submit a letter of resignation from the current DB of the entity OR include a company resolution removing the current DB.
- Submit Employing Broker Change Form completed by the incoming DB. Change Being Made - DB Change. Complete the **Changing From** side with business information incoming DB is departing from. If incoming DB is inactive, leave blank.
- Submit a Resolution appointing incoming DB. See page 4 of this form.
- Submit a copy of Broker Management Clinic. This certificate is only valid for 24 months and must be valid upon submittal.
- **Possible fee** for realignment of branch offices depending on expiration date of incoming DB.
- If resigning designated broker is to become an associate broker, use a Salesperson/Associate Broker Change Form (LI-202) or request to be hired using the Online System to return to active status.

*RESIDENT BROKER CHANGE TO A NON-RESIDENT BROKER (OUT OF STATE ADDRESS)

- A non-resident broker who maintains the principal office outside Arizona shall:
 1. Place monies with an escrow company licensed and located in Arizona, or a trust account in Arizona for monies received from transactions in Arizona.
 2. Maintain copies of records in Arizona for all Arizona transactions handled by the broker.
 3. Provide a letter appointing a Custodian of Records stating name, address and phone number of the person, (residing in Arizona, such as a statutory agent or attorney, who will have possession of said records). This information must be kept current and on file with the Department.
- A non-resident broker who employs any licensee within the state shall:
 1. Immediately establish a branch office in Arizona,
 2. Appoint a branch manager and
 3. Provide a statement describing how the licensee shall be supervised, pursuant to R4-28-302 (K).
See Branch Office Application Form and Salesperson / Associate Broker Change Form for requirements.
- Complete an Employing Broker Change Form.



ARIZONA DEPARTMENT OF REAL ESTATE (ADRE)

www.azre.gov

PHOENIX OFFICE
2910 N 44TH STREET STE-100
PHOENIX, AZ 85018

TUCSON OFFICE
400 W CONGRESS STE-523
TUCSON, AZ 85701

EMPLOYING BROKER CHANGE FORM

Designated Broker Name (BR)					
License Number (BRXXXXXX000)		License Expiration Date			
Broker Management Clinic Date		Did input this course information into your personal page?		<input type="checkbox"/> NO	<input type="checkbox"/> YES
DO YOU HAVE A PC OR PLLC?		<input type="checkbox"/> NO	<input type="checkbox"/> YES	IF YES, IS IT IN GOOD STANDING WITH THE ACC?	
				<input type="checkbox"/> NO	<input type="checkbox"/> YES

SELECT TYPE OF CHANGE OR CHANGES BEING MADE

- | | | |
|---|--|---|
| <input type="checkbox"/> BUSINESS ADDRESS CHANGE | <input type="checkbox"/> NEW DB FOR NEW ENTITY | <input type="checkbox"/> CHANGE TO SOLE PROPRIETOR (SE) |
| <input type="checkbox"/> MAILING ADDRESS CHANGE | <input type="checkbox"/> DB CHANGE FOR EXISTING ENTITY | <input type="checkbox"/> CHANGE FROM SOLE PROPRIETOR (SE) |
| <input type="checkbox"/> BUSINESS LEGAL NAME CHANGE | <input type="checkbox"/> *CHANGE TO NON RESIDENT BROKER | <input type="checkbox"/> CHANGE TO ACTIVE STATUS |
| <input type="checkbox"/> DBA ADD OR CHANGE | <input type="checkbox"/> PHONE OR FAX NUMBER CHANGE (NO FEE) | <input type="checkbox"/> CHANGE TO INACTIVE STATUS |

SELECT BUSINESS TYPE

- | | | |
|---|---|---|
| <input type="checkbox"/> CORPORATION (CO) | <input type="checkbox"/> LIMITED LIABILITY COMPANY (LC) | <input type="checkbox"/> PARTNERSHIP (PA) |
| <input type="checkbox"/> SOLE PROPRIETOR (SE) | <input type="checkbox"/> FOREIGN ENTITY QUALIFIED IN AZ | <input type="checkbox"/> LIMITED LIABILITY PARTNERSHIP (PA) |

ADRE USE ONLY		ADRE USE ONLY	
CHECK ACC FOR GOOD STANDING	CSR INITIAL	CHECK ACC FOR GOOD STANDING	CSR INITIAL
CHANGING FROM OUTGOING DB MUST SUBMIT RESIGNATION <input type="checkbox"/> (If currently an Associate Broker or inactive leave blank)		CHANGING TO ENTITY INFORMATION INCOMING DB MUST SUBMIT RESOLUTION <input type="checkbox"/> (If going inactive leave blank)	
ENTITY LEGAL NAME		ENTITY LEGAL NAME	
DBA NAME (IF ONE IS USED)		DBA NAME (IF ONE IS USED)	
EIN # ENTITY TAX ID #		EIN # ENTITY TAX ID #	
ENTITY LICENSE NUMBER (SE, CO, PA, LC)		ENTITY LICENSE NUMBER (SE, CO, PA, LC)	
PHYSICAL BUSINESS ADDRESS		PHYSICAL BUSINESS ADDRESS	
SUITE OR UNIT #		SUITE OR UNIT #	
CITY, STATE, & ZIP CODE		CITY, STATE, & ZIP CODE	
MAILING ADDRESS OR PO BOX		BUSINESS MAILING OR PO BOX	
SUITE OR UNIT #		SUITE OR UNIT #	
CITY, STATE, & ZIP CODE		CITY, STATE, & ZIP CODE	
BUSINESS TELEPHONE		BUSINESS TELEPHONE	
FAX NUMBER		FAX NUMBER	

I WILL USE TITLE COMPANY (OR) I WILL USE TRUST ACCOUNT. SEE SUBMITTAL CHECKLIST FOR REQUIRED BANK INFORMATION.

X

PRINT DESIGNATED BROKER NAME		ORIGINAL SIGNATURE REQUIRED		DATE
(If Sole Proprietor, in signing this form, I declare I am the ONLY person who owns, has exclusive title or legal right to the business.)				
FOR ADRE USE ONLY				
EFFECTIVE DATE			DATE STAMP	RECEIPT
INPUT DATE				
TIMEFRAME	TF 1	TF 2		
PROCESSED				

RESOLUTION REQUIRED

Resolution is required by all entities, even sole member, sole manager, or sole officers of any said entity before an incoming designated broker can be hired.

To be Designated Broker of a Corporation - Submit a corporate resolution signed by an officer of the corporation stating that the designated broker was elected or appointed as a corporate officer, stating the office the DB holds, and stating that the individual was appointed to act as designated broker for the corporation.

❖ **Corporations** / A natural person must be listed within the articles. The Designated Broker must hold office and appointed via Resolution as Designated Broker and i.e., Secretary, Treasurer, or President etc...

To be Designated Broker of an Limited Liability Corporation ("LLC") - Submit a company resolution signed by **all members or all managers**, as applicable, stating that DB is manager if management of the LLC is established as manager-controlled, or that DB is member if the LLC is established as member-controlled, and the name of the member or manager appointed to act as the designated broker.

❖ **Manager Controlled LLC** - A natural person must be listed within the articles. **THE INCOMING DB DOES NOT HAVE TO BE LISTED WITHIN THE ARTICLES.** The Designated Broker must be appointed via Resolution as Designated Broker and Manager of said entity. If Designated Broker holds more than 20% interest within said entity, the Designated Broker must be listed within the articles as a manager of said entity.

❖ **Member Controlled LLC** / A natural person must be listed within the articles. **THE INCOMING DB MUST BE LISTED WITHIN THE ARTICLES AND MUST BE APPOINTED MANAGER WITHIN SAID ARTICLES** and appointed via Resolution.

To be Designated Broker for a Partnership - Submit an agreement signed by all the partners or by the general partner in a limited partnership, stating the name of the member/partner appointed to act as designated broker for the partnership.