

MICHIGAN REAL ESTATE LICENSING GUIDE

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1. HOW THE PROFESSION IS ORGANIZED IN MICHIGAN

OVERVIEW

This guide looks at things that you as a foreign-educated real estate professional must do to become eligible for a real estate license in Michigan. At the same time, it includes some background and tips on the larger real estate profession to give you an idea of the variety of opportunities available as you work to rebuild your career. The real estate profession encompasses the following:

- Real Estate Brokers are licensed to manage their own businesses. Brokers, as independent business people, often sell real estate owned by others. In addition to helping clients buy and sell properties, they may help rent or manage properties for a fee. Many operate a real estate office, handling business details and overseeing the work of salespeople.
- Real Estate Salesperson must work with a broker. Sales agents often work for brokers on a contract basis, earning a portion of the commission from each property they sell.

REGULATION OF THE REAL ESTATE PROFESSION IN MICHIGAN

The Bureau of Professional Licensing (BPL) within the Michigan Department of Licensing and Regulatory Affairs (LARA) regulates the real estate profession in Michigan. Before you can be eligible for licensure, you must meet certain training requirements and pass a state examination. The examination is administered by PSI Services LLC (PSI) through testing centers in Michigan.

2. ELIGIBILITY FOR LICENSING

I. The process for obtaining a salesperson license:

- 40 hours of approved prelicensure education courses which includes 4 hours of civil rights law and equal opportunity in housing.

- Be at least 18 years of age
- Be of good moral character
- Submit any required documentation requested by the Department
- Pass the required examination.

The process for obtaining a Real Estate Broker license:

- 90 hours of approved prelicensure education courses which includes 4 hours of civil rights law and equal opportunity in housing.
- 3 years of real estate related experience
- Be at least 18 years of age
- Be of good moral character
- Submit any required documentation requested by the Department
- Pass the required examination.

II. Prelicensure

Salesperson

An applicant for a Real Estate Salesperson license must complete 40 hours of approved prelicensure education prior to taking the examination or submitting a license application to the Department. The 40 hours of approved prelicensure courses must include at least 4 hours on civil rights law and equality opportunity in housing.

Broker

An applicant for a Real Estate Broker license must complete 90 hours of approved prelicensure education prior to taking the examination or submitting a license application to the Department. The 90 hours of approved prelicensure courses must include at least 9 hours on civil rights law and equality opportunity in housing.

All prelicensure education courses must be approved by the Department. A list of approved prelicensure education courses is available on the Real Estate website at www.michigan.gov/realestate. Courses are still being developed; therefore, please continue to visit the Real Estate website for updated information.

III. Apply for Real Estate License

Salesperson

After you have completed the 40 hour prelicensure education requirement, you may apply for a real estate salesperson license online at www.michigan.gov/icola. If you list your employing brokers permanent identification number when applying, you need to inform your employer that you have submitted your license application in order for the employer

to approve the employment relationship. You do not need an employing broker at the time you submit the license application, and broker information may be supplied to the State of Michigan at a later time using the Employing broker Notification form.

You must meet all requirements for licensure before receiving approval by the Department to take the examination that is required to obtain a Real Estate Salesperson license. Once you receive an authorization to test (ATT) letter, you may contact PSI Services LLC, the exam provider, at 1-800-733-9267, or go to the website at www.psiexams.com, to register for the examination. The ATT letter will contain a six-digit exam candidate "MIRE" (Michigan Real Estate) number and complete examination registration instructions.

Once you have passed the examination and an employing broker has approved sponsorship, a license will be issued as a Real Estate Salesperson. Licenses are mailed to the employing broker who employs the Real Estate Salesperson, and they will retain custody of the salesperson's certificate of license and deliver the pocket card to the salesperson.

Broker

After you have completed the 90 hour prelicensure education requirement, you may obtain a Real Estate Broker License Application on the Real Estate website at www.michigan.gov/realestate.

3. EXAMINATIONS

Salesperson

Using the contact information contained in your "ATT" email, you may provide PSI with your MIRE number, then schedule and pay for your exam. To determine what is covered on the examinations, please visit PSI's website at www.psiexams.com to download the appropriate Candidate Information Bulletin (CIB). The CIB provides helpful information regarding the examination, such as an outline of the examination, suggested reference list, etc.

The cost for examination is \$76.00 and requires a passing score of 70%. The cost to retake the exam is \$76.00.

Broker

Prior to applying for the Real Estate Brokers license you must successfully pass the exam for Real Estate Brokers. To determine what is covered on the examinations, please visit PSI's website at www.psiexams.com to download the appropriate Candidate Information Bulletin (CIB). The CIB provides helpful

information regarding the examination, such as an outline of the examination, suggested reference list, etc.

The cost to take the examination is \$76.00 and requires a passing score of 75%. The cost to retake the exam is \$76.00.

4. TIME AND COSTS

To be successfully licensed as a Real Estate Salesperson or Broker in Michigan depends on a number of factors, including:

- Your completion of the prelicensure requirements
- Your performance on required examinations
- Your free time and what you can afford to spend on licensing

We provide two hypothetical scenarios to show just some of the variety of results that immigrant professionals may find when they seek to become licensed in Michigan. Please consider these scenarios as two examples out of many possibilities. Please understand that individual experiences may vary.

SALESPERSON HYPOTHETICAL SCENARIOS:

Step	More Efficient Scenario <i>Approximate Time and Cost</i>	Less Efficient Scenario <i>Approximate Time and Cost</i>
1 Prelicensure	<ul style="list-style-type: none"> • You complete the 40 hour prelicensure requirement within one week. • 1 weeks + \$189.00 <p>NOTE: The Bureau of Professional Licensing does not regulate the cost of the approved educational courses so the cost may vary with each course.</p>	<ul style="list-style-type: none"> • You complete the 40 hour prelicensure requirement in 6 months. • 6 months + \$189.00 <p>NOTE: The Bureau of Professional Licensing does not regulate the cost of the approved educational courses so the cost may vary with each course.</p>
2 Satisfaction of Requirements	<ul style="list-style-type: none"> • Submit application with application fee • Included copies of certificates confirming the completion of prelicensure requirements • Employing broker confirms sponsorship. • 1 week + application fee 	<ul style="list-style-type: none"> • Submit application with application fee • Included copies of certificates confirming completion of prelicensure requirements • Did not have employing broker confirm sponsorship. • 3 months + application fee
3 Exams	<ul style="list-style-type: none"> • Pass exam on first attempt 	<ul style="list-style-type: none"> • Have to retake the exam

Step	More Efficient Scenario <i>Approximate Time and Cost</i>	Less Efficient Scenario <i>Approximate Time and Cost</i>
	<ul style="list-style-type: none"> 1 week + \$76.00 	<ul style="list-style-type: none"> Takes 6 months to retake the exam 6 months + \$76.00
	<ul style="list-style-type: none"> More Efficient Total <i>Approximately 1 week + \$189.00 prelicensure fee + application fee + \$76.00 exam fee.</i> 	<ul style="list-style-type: none"> Less Efficient Total <i>Approximately 9 months + \$189.00 prelicensure fee + application fee + \$152.00 exam fee.</i>

BROKER HYPOTHETICAL SCENARIOS:

Step	More Efficient Scenario <i>Approximate Time and Cost</i>	Less Efficient Scenario <i>Approximate Time and Cost</i>
1 Prelicensure	<ul style="list-style-type: none"> You complete the 90 hour prelicensure requirement within two weeks. 2 weeks + \$650.00 <p>NOTE: The Bureau of Professional Licensing does not regulate the cost of the approved educational courses so the cost may vary with each course.</p>	<ul style="list-style-type: none"> You complete the 60 hour prelicensure requirement in 6 months. 6 months + \$650.00 <p>NOTE: The Bureau of Professional Licensing does not regulate the cost of the approved educational courses so the cost may vary with each course.</p>
2 Satisfaction of Requirements	<ul style="list-style-type: none"> Submit application with application fee Complete application showing 3 years of experience 2 weeks + application fee 	<ul style="list-style-type: none"> Submit application with application fee Did not have 3 years of experience Did not respond immediately to Notice of Incomplete Application by providing experience 3 months + application fee
3 Exams	<ul style="list-style-type: none"> Pass exam on first attempt 2 weeks + \$76.00 	<ul style="list-style-type: none"> Have to retake exam Takes 6 months to pass the exam 6 months + \$650.00 prelicensure education +

Step	More Efficient Scenario <i>Approximate Time and Cost</i>	Less Efficient Scenario <i>Approximate Time and Cost</i>
		\$152.00 exam fee
	<ul style="list-style-type: none"> • More Efficient Total <i>Approximately 2 weeks + \$650.00 prelicensure education + \$76.00 exam fee + application fee</i> 	<ul style="list-style-type: none"> • Less Efficient Total <i>Approximately 6 months + \$650.00 prelicensure education + \$152.00 exam fee + application fee</i>

4. OTHER CAREERS AND CREDENTIALS

A Branch Office is a separate office location for a licensed Real Estate Broker. If a Broker Company is operating out of more than one location, the second location must be licensed as a Branch Office.

A licensed Real Estate broker may obtain a Branch Office license application on the Real Estate website at www.michigan.gov/realstate.

5. BEYOND LICENSING

MAINTAINING LICENSURE

Real Estate licenses expire on October 31 every three years. Licensees will receive a renewal notice approximately 90 days prior to the expiration date. You must renew the license online and the cost to renew is \$78.00 for a salesperson, and \$108.00 for a broker. If your license expires for longer than 60 days, you will be required to apply for relicensure to reactivate your license.

As a condition of renewal, you must have successfully completed at least 18 hours continuing education during a 3 year license cycle. Each calendar year, at least 2 hours of the required 18 hours must be regarding laws, rules, and court cases in real estate.

LICENSING MOBILITY (RECIPROCITY)

Michigan does not have a reciprocal agreement with any other state.

6. IMPORTANT LINKS

LICENSING AND REGULATION

- The Bureau of Professional Licensing is the state regulatory agency for the real estate profession in Michigan. The Bureau's website is www.michigan.gov/bpl. The website specifically for the real estate profession is www.michigan.gov/realestate, which includes links to the real estate profession's laws and administrative rules, applications, frequently asked questions, etc.
- Contact information: Department of Licensing and Regulatory Affairs, BPL-Licensing Division, PO Box 30018, Lansing MI 48909.
- Telephone Number 517-241-9288; Fax: 517-373-7179
Email: bplhelp

TESTING

- Candidate Information Bulletins are available on PSI's website at www.psiexams.com or you may click one of the links below:

[Exam bulletin for Real Estate Salesperson](#)

[Exam bulletin for Real Estate Broker](#)