

GENERAL QUESTIONS

- 1. What is the MREC fax number and e-mail address?** The fax number is 573-751-2777 and the e-mail address is realestate@pr.mo.gov.
- 2. What is the MREC's "overnight delivery" address?** Missouri Real Estate Commission, 3605 Missouri Boulevard, Jefferson City, MO 65109
- 3. How can I obtain the most recent applications and forms?** You may download all the Commission's forms and applications by accessing this web page: <http://pr.mo.gov/realestate-application-forms.asp>. All MREC forms are available for printing. If you are unable to download or print the forms, you can e-mail, phone, write, or fax this office and the forms will be sent to you.
- 4. How do I notify the MREC of my address change?** You must complete the Address or Name Change Application and be sure to sign it. You can download the form by going to <http://pr.mo.gov/boards/realestate/375-0579.pdf>. All changes must be in writing and made within 10 days. They can be e-mailed, mailed, or faxed.
- 5. I have gotten married/divorced. How do I change my name on my license?** You must notify the Commission of the change in writing. There is an Address and Name Change Application available online for you to complete and sign. You can download the form by going to <http://pr.mo.gov/boards/realestate/375-0579.pdf>. You can fax, email, or mail the completed application. **A new license will not be issued after a name or address change unless the current license is returned and is accompanied by a \$25 fee.**
- 6. How can I look up my license number or check to see if someone holds a valid Missouri real estate license?** If the individual has a current and active license, you can find this information on the Division's web page at <https://renew.pr.mo.gov/realestate-licensee-search.asp>. Leave the County Name and Profession Name fields set at "ALL". Under Search Criteria select Licensee Name and in the text box enter the last name and at least part of the first name of the individual, separating the last name and first name by a comma and a space (Doe, John), and then click on the search icon. You will then be provided with a list of matches.
- 7. How can I find out why a person's license was disciplined?** Notification of all disciplinary actions are published in our newsletters, which can be accessed at <http://pr.mo.gov/realestate-newsletters.asp>. A complete copy of a disciplinary order can be obtained with a written request and payment of copy/research fees.
- 8. If I would like to do a mailing to Missouri real estate licensees, how can I obtain this information?** All of our active licensee files are now on the Division's web page at www.pr.mo.gov/listings.asp. This link can be found on the Commission's web page under the Online Services heading. You can download each desired directory into a spreadsheet type program (Excel, Access) and then you are able to sort the data by city, zip code, etc. MREC

files will provide you with the names, mailing addresses, and affiliation addresses for all actively licensed Missouri real estate licensees.

- 9. How can I get a list from the MREC of individuals that have recently passed exams?** You may access this information by going to the link "Monthly Exam Pass Lists" on the MREC website at <http://pr.mo.gov/realestate-exampass.asp>. These lists include ONLY those individuals who have agreed to have their names posted.
- 10. Does the Commission accept debit or credit cards?** No, payment can only be made in the form of personal or business check, cashier's check, or money order. However, a third party vendor has been contracted to accept payments (convenience fee added) when you renew your real estate license online.
- 11. Can I replace my bad check with a credit card?** No. Replacement must be made in the form of a cashier's check or money order. You will need to also submit an additional \$25 fee for handling each bad check written to this agency. Failure to immediately replace insufficient funds will cause this agency to forward this information to the Prosecuting Attorney, will invalidate your license, and may cause the Commission to take disciplinary action.
- 12. What if I need verification of licensure for loan or employment reasons?** You will need to submit a Request for Certification of Licensure form along with a \$10 fee. This form can be downloaded by going to http://pr.mo.gov/boards/realestate/certification_request_form.pdf.
- 13. Will filing personal bankruptcy negatively affect licensure?** No, personal bankruptcy will not affect licensure and does not need to be disclosed to the Commission.

EDUCATION RELATED QUESTIONS

- 1. Can I get my education on-line?** Yes! You can obtain the lists of approved providers by going to <http://pr.mo.gov/realestate-approved-education-providers.asp>. Those listed under the Distance Delivery category include the providers who offer on-line courses.
- 2. I completed courses for continuing education credit that were not pre-approved by the MREC. Can I receive credit for those courses?** Possibly, however, it will be necessary for you to submit an Individual Request for Continuing Education Credit (ICE) form **at least ninety (90) days prior to the expiration of your Missouri real estate license** to be reviewed by the Commission staff for determination. With this form, include a copy of the course completion certificate, a course description, a self addressed stamped envelope, and a \$10 non-refundable fee per course. If you have taken a home correspondence/study course, you will need to provide proof of a proctored closed-book exam. **If you have taken an on-line or computer based training (CBT) course, you will need to provide proof of a final closed-book exam.** The MREC will review the course to determine whether the course content and course administration are acceptable and fit into the education parameters. This form can be obtained by downloading this file: <http://pr.mo.gov/boards/realestate/419-2041.pdf>.
- 3. When is the latest that a licensee can take an on-line continuing education course?** According to regulations broker licensees must complete their education by midnight on June 30th and salesperson licensees must complete their education by midnight on September 30th of each even-numbered year. However, be mindful that in years past, licensees have found themselves unable to renew due to last minute power outages or computer errors. If your 12 hours are not complete, you must complete a 24-hour Missouri Real Estate Practice course. Note: Completing continuing education courses in the final days can also cause you to incur a delinquent fee as renewal applications must be postmarked no later than the renewal deadline.
- 4. Will the Missouri Real Estate Practice Course (MREP) be offered immediately following the pre-exam class?** This will depend on how each school sets up its schedule. While, the practice course must be taken after the pre-exam course and before application for license, it is up to the individual whether they want to take the AMP exam before or after the 24-hour practice course.
- 5. Will the MREP class be offered via distance delivery?** Yes. Regulations do not prohibit this course from being approved via distance delivery.
- 6. Is a broker applicant required to take the 24-hour MREP course if they didn't take it to obtain a salesperson license?** No. 20 CSR 2250-3.020 (1) mandates the 24-hour practice course only for those wanting to obtain a salesperson license.
- 7. Can I take the Missouri Real Estate Practice Course as continuing education?** No, all licensees must take 12 hours of continuing education – at least 3 core hours, with the remainder in either elective hours or additional core hours.

8. What are Missouri's continuing education requirements? All licensees must obtain 12 hours of continuing education. However, at least 3 of those hours must be a core course.

LICENSING RELATED QUESTIONS

- 1. What is required to obtain a Missouri salesperson license?** Applicants must complete an approved 48-hour salesperson pre-examination course. The student must also take a 24-hour course titled "The Missouri Real Estate Practice Course" (MREP) before making application for a salesperson license. **The individual must take the 48-hour salesperson pre-examination course first.** It is then up to the individual whether they want to take the AMP exam before or after the 24-hour practice course.

All applicants for an original Missouri license are required to be fingerprinted for a Missouri and federal criminal history background check. Therefore, all new applicants must first register with the Missouri Automated Criminal History Site (MACHS) at www.machs.mo.gov. You will need to provide the MREC's four-digit registration number, **0004**, to authorize the Missouri State Highway Patrol and the FBI to send the results to the Missouri Real Estate Commission.

Upon registration, you will be directed to a list of fingerprinting locations available throughout the state, with some sites offering night and/or weekend hours. You are required to bring Photo ID with you to the fingerprint site. Acceptable forms of ID are a valid driver's license, military ID or passport. While each location is on a first come, first served basis, the actual fingerprinting process will take approximately 10 minutes.

You will pay a fee of \$44.80 directly to Cogent for this service. Upon completion, you must attach a receipt from Cogent substantiating proof of fingerprinting with the application for licensure.

- 2. What order do courses and exam have to be taken for someone wanting to get a salesperson license?** The individual must take the 48-hour salesperson pre-examination course first. It is then up to the individual as to which order they then take the 24-hour practice course and the AMP exam.
- 3. Do license applications have to be made within six (6) months of the completion date of the pre-examination course?** Yes, applications for licensure must be postmarked within six months of completion of the **pre-exam course** (not the date of examination). Applications postmarked after the expiration of the 48-hour completion certificate will be denied.
- 4. Can students be issued a work permit before they take the MREP class?** No. Work permits will not be issued until the applicant has made proper application for a salesperson license. This means that before a work permit can be issued, the applicant will have taken the 48-hour pre-exam course, the 24-hour practice course, passed the exam, and made application for licensure.
- 5. What is required to obtain a broker license?** To receive a broker's license, the applicant will be required to have 24 of the last 30 months active licensed real estate experience immediately preceding the date of application AND proof of having completed the 48-hour broker pre-exam course within the past 6 months as well as proof of passing the exam and submission of the proper fees.

- 6. What if the licensee has a gap in their 2 years as a salesperson?** The Commission has agreed to recognize 24 out of the last 30 months as satisfying the "immediately preceding" requirement. This will allow for those whose licenses were cancelled or non-renewed for a short period of time to still be able to meet the requirement.
- 7. Are attorneys exempt from education requirements and 2 years sales experience?** Yes, attorneys are exempt from the education requirements and they will also be exempt from the 2 year experience requirement for a broker license. However, attorneys are required to pass the appropriate examinations.
- 8. Does Missouri have licensing reciprocity with other states?** Missouri has specific nonresident licensing requirements that can be found at <http://pr.mo.gov/boards/realestate/resnonresidentrequirements.pdf>. These requirements allow for non-Missouri licensees' education and national exams to be recognized.
- 9. What is required of an inactive licensee who wants to reactivate their license?** As long as the inactive licensee continues to renew the inactive license and maintain a current inactive license, regulations require completion of a 24-hour Missouri Real Estate Practice Course and the application to reactivate must be made within 6 months of completion of the course.
- 10. I am a broker or becoming a broker and I want to conduct my business through a company such as an LLC or corporation, do I need to license the company with the MREC?** Yes, your company must be licensed with the Missouri Real Estate Commission before you can conduct business. You can download the application forms at <http://pr.mo.gov/realestate-application-forms.asp>. Refer to the instruction sheet attached to the forms to complete the applications. Submit the completed applications along with the other required documents and fees outlined on the forms.
- 11. What forms do I need to license a corporation, partnership, or association (LLC)?** You will need the Application for a Real Estate Corporation, Partnership or Association License, Consent to Examine and Audit Escrow or Trust Account form, and if you are changing the status of your broker license to obtain a license with this company or obtaining an additional license with this company, you will need the Application for License/Information Change. You can obtain these forms by accessing this web page: <http://pr.mo.gov/realestate-application-forms.asp>. Refer to the instructions on "How to Avoid Having Your Entity Application Returned" when filling out these forms.
- 12. For tax purposes, can a salesperson or broker-salesperson form a corporation or LLC to conduct real estate?** Not at this time. However, a person licensed as a salesperson or broker-salesperson can apply for a professional corporation license. The salesperson or broker-salesperson professional corporation license must be held by a licensed broker. Contact an attorney and/or tax professional for advice on becoming licensed as a professional corporation. Applications for professional corporation name approval and professional corporation license can be found on our website at <http://pr.mo.gov/realestate-application-forms.asp>.

- 13. If I am not going to have an escrow account do I have to fill out the Consent to Examine and Audit Escrow or Trust Account form?** Yes! If you do not maintain an escrow account, you must complete Section D of the form, mark the appropriate box, and sign it. The form can be downloaded at <http://pr.mo.gov/boards/realestate/375-0576s.pdf>.
- 14. How do I get a new license if mine has been lost?** Complete sections 1A and 2B of the Application for License/Information Change form, mark #8 in Section 1C, and submit a fee of \$25.00. The form can be downloaded at <http://pr.mo.gov/boards/realestate/419-1997.pdf>.
- 15. How can I receive a license certification or license history?** You will need to submit a Request for Certification of Licensure form along with a \$10 fee. This form can be downloaded at http://pr.mo.gov/boards/realestate/certification_request_form.pdf. **Complete ONLY Part I or Part II.** If you wish to have education and examination information included in the certification, you must complete Part II of the form, providing authorization of the release of this information. You can typically expect to receive the license certification within two weeks of the Commission's receipt of the completed request.
- 16. Where can I find out about the licensing requirements of another state?** To obtain the requirements for licensure in another state, contact the real estate commission or licensing authority of the jurisdiction you are inquiring about.
- 17. What forms do I use to apply for a new salesperson or broker type license?** The passing score report you receive from the exam site is your application for license. Your exam score and photo will be pre-printed on the document. Follow the detailed instructions on the second page or if applicable, the Nonresident Licensing Requirements, so that your application and attachments are complete. An Application for License/Information Change form is NOT needed when applying for licensure after taking the examination.
- 18. On what date will my license become effective?** For all new exam applicants, the license will not become effective until the broker receives a work permit or the license from the Commission.
- However, if the application is for a transfer from one company to another and there is no change in license status, the new broker may permit the licensee to start working once the COMPLETE application including the current license, fee, and change form signed by the applicant, former broker, and new broker are mailed together **by certified, registered, or overnight delivery**. If the application is deemed incomplete, the transfer will be returned to the applicant and will not be effective until the new license is received by the broker or until written notification is received from the Commission that the application is being processed.
- 19. How can the designated broker of a company be changed?** Before the designated broker can change, the new designated broker of the entity must hold a comparable position/title within the firm as required by 20 CSR 2250-4.070. If the new designated broker is not already licensed as a broker-officer of the corporation or a broker-associate of the LLC, the new designated broker must complete an Application for License/Information Change to become licensed as such. You can obtain this form at <http://pr.mo.gov/boards/realestate/419-1997.pdf>. A Change in Designated Broker form must also be completed and signed by the former designated broker and new designated broker and submitted to the MREC. You can

obtain this form by going to <http://pr.mo.gov/boards/realestate/changeindesignatedbroker.pdf>. There is no fee required to change the designated broker.

- 20. What form do I need to transfer my license from one company to another?** You will need to complete the Application for License/Information Change and follow the detailed instructions on the second page. You can download this form at <http://pr.mo.gov/boards/realestate/419-1997.pdf>.
- 21. When is a transferring salesperson or broker-salesperson legal to work for their new broker?** If an application is properly completed, signed by the licensee and both brokers, includes the licensee's license, transfer fee, and is mailed by **certified, registered, or overnight delivery**, they are legal to work when it is sent to the MREC. If any part of the application is incomplete and the application is returned to the applicant for correction, the transfer will not be effective until the new license is received by the broker or until written notification is received from the Commission that the application is being processed.
- 22. I want to transfer my license to another broker, but my current broker won't give my license to me. What can I do?** It is at the discretion of the broker whether to sign your transfer form and give the license to you or to return it separately to the MREC. If your broker will not provide the license to you or to the Commission, it is suggested you write a letter to the broker at their business address which requests them to return your license to the MREC within 72 hours. Keep a copy of the letter for your records and mail the letter by **certified mail and request a return receipt**. You will receive the return receipt showing the broker signed for it or the letter will be returned to you unclaimed. The broker has 72 hours from receiving the letter to return your license to the MREC. If the broker has not returned the license within the required timeframe, you can then mail your transfer application, transfer fee, copy of the letter, and return receipt to the MREC and a work permit will typically be generated while the Commission contacts the former broker.
- 23. I want to transfer my license and my broker refuses to give my license to me or return it to the MREC claiming that I owe the company money and/or haven't returned all items to the company. What can I do?** Regardless of personal or civil issues, the broker is required by 20 CSR 2250-4.050(3) to return the license to the MREC within 72 hours of being notified of an affiliate's intent to transfer their license. If a broker refuses to return the license, or give it to the licensee to transfer, the licensee should obtain written documentation to prove notice was given to the broker. One form of such proof would be the Domestic Return Receipt (Green Card) of certified mailing sent to the brokerage notifying the broker of the licensee's intent to transfer their license.
- 24. Can I place my license on referral status?** There is no referral status for Missouri real estate licensees. If your license is placed with a broker or company that only permits referrals, your license is considered active with the MREC. The license is required to be renewed in the even-numbered years and continuing education is required to renew.
- 25. Must a new salesperson or broker-salesperson be licensed under a broker?** A salesperson or broker-salesperson must be affiliated with a licensed broker or entity. The license will be mailed to the broker's business address. However, an applicant who has

passed the broker exam may immediately apply for an inactive broker license. (Note: To activate an inactive license, the 24-hour Missouri Real Estate Practice Course is required.)

26. I am a broker and want to remove a licensee from my affiliation. How do I do that?

Download the Application for License/Information Change at <http://pr.mo.gov/boards/realestate/419-1997.pdf>. Write the licensee's name and license number in Section 1A, mark #9, sign in section 2A as the former broker, and attach the current license. You do not have to obtain the licensee's signature. The MREC will notify the licensee at their last known home address that their license has been returned. They will have six months to transfer their license without having to take the 24-hour Missouri Real Estate Practice Course.

27. Does the Commission accept debit or credit cards? No, payment can only be made in the form of personal or business check, cashier's check, or money order. However, a third party vendor has been contracted to accept payments (convenience fee added) when you renew your real estate license online.

28. What do I need to do to notify MREC of the death of a licensee? If the licensee is not an individual broker, a copy of the death certificate or obituary, along with the license, should be provided to the Commission. However, if the licensee is an individual broker, designated broker of a company, or a broker partner, a Notification for Closing of a Real Estate Firm must be completed

29. What is the difference between placing a license on inactive status or with a referral company? A license held by a referral company is still considered an active license and continuing education is required to renew. A license placed on inactive status is not affiliated with a brokerage and the licensee cannot conduct any real estate related activities. Continuing education is not required while on inactive status, however, before the licensee can activate the license, completion of the 24-hour Missouri Real Estate Practice Course is required.

REGULATION/STATUTE RELATED QUESTIONS

- 1. When I advertise “for sale by owner” do I have to disclose I am a real estate agent/broker even if my license is on inactive status?** YES! The only time you are not required to disclose your licensure is if your license has expired.
- 2. Do I need a written policy if I don’t have any licensees?** No, a written office policy is only required if you have affiliated licensees.
- 3. What needs to be in my office policy? Does the Missouri Real Estate Commission have a standard office policy for brokerages to use?** The written office policy must both **identify and describe** the relationships in which the broker and affiliated licensees may enter. The Missouri Real Estate Commission does not provide a standard office policy. However, since the statutes require the office policy to identify and describe the agency relationships offered, it is acceptable for a broker to adopt the Missouri Broker Disclosure Form as part of the office policy. If a broker wishes to include more information in the office policy, it is still acceptable to use the descriptions of the agency relationships on the back of the Broker Disclosure Form. You can download the Broker Disclosure Form by going to <http://pr.mo.gov/realestate-broker.asp>.

Brokers may also choose to include other office procedural issues within their written office policy.

- 4. Is an office policy required if I don’t actively conduct business?** Statute 339.760 requires that every broker that has licenses affiliated with his license must maintain a written office policy regardless of whether or not they are actively conducting business.
- 5. Can a broker operate their real estate business out of their home and also hold licenses of others?** MREC statutes do not prohibit a broker from maintaining a home office and having affiliated licensees. The broker must have an established place of business which is open to the public during established business hours and have a sign that is visible to the public identifying it as a real estate office. However, you should consult with your local authorities to determine if there are zoning restrictions regarding operating a business in your home.
- 6. Am I required to have a sign displayed outside my home? If so, what needs to be on the sign, and what are the size requirements?** Whether the office is located in the home or at another location, a broker is required to display a business sign outside the business if they are conducting any real estate activity, including referrals, **or** if they hold licenses of others. 20 CSR 2250-8.010 (2) states that the sign must be of sufficient size to identify it, but there are no other specific size requirements. The sign must contain the name under which the broker or company is licensed or the regular business name. Business hours, including “By Appointment Only”, must also be posted if they are other than the normal business hours.
- 7. If my office is located in an office building, am I required to display a sign?** Yes, the information may be displayed on a lobby marquis or on the outside of the building.

- 8. Is a broker required to post his business hours?** It is only required to post hours of operation if the broker is not open during normal business hours. The broker can post the actual hours the brokerage is open. It is also acceptable to post "By Appointment Only".
- 9. Do I have to hang my license on the wall or can I keep it in a file?** 20 CSR 2250-8.060 requires that every broker maintain all licenses associated with the firm in the main office or branch office and that the licenses be displayed to any member of the public upon request. The regulation does not require that the licenses be displayed on the wall of the office.
- 10. If a licensee is transferring from one company to another, can they still be paid a commission from their former broker for a transaction they were involved in during their affiliation with the former broker?** Yes, the licensee could be paid a commission directly from the former broker for commissions earned during their association with that broker.
- 11. What can I do if my broker won't pay me a commission that is owed?** The MREC is prohibited by regulation 20 CSR 2250-2.040 from becoming involved in commission/compensation issues. These are civil matters that if not otherwise resolved must be addressed in the civil court system.
- 12. Does the Commission have any standard contract or agency agreement forms?** No, the Commission does not issue any contract forms or agency agreement forms. The only forms the website contains are licensing related forms, the Missouri Broker Disclosure Form, and the Commercial Portability form. Licensees need to obtain standard contractual forms from the professional association to which they may belong, the Bar Association, or employ an attorney to draw up forms.
- 13. Can anyone at the Commission office review my forms, contracts, or agency agreements for compliance?** No, the Commission does not have an attorney on staff. Commission staff is not qualified to analyze any contracts or agreements or provide legal opinions/advice.
- 14. Does the Commission provide any training courses or offer any literature regarding how to set up a brokerage, agency issues, etc.?** No, the Commission does not offer any educational courses, and the only literature provided is the statutes and regulations on the website, <http://pr.mo.gov/realestate-rules-statutes.asp>. Licensees should seek educational training through the various education providers, and discuss their issues with their attorney or other specialists. A list of education providers can be downloaded at <http://pr.mo.gov/realestate-approved-education-providers.asp>.
- 15. What type of criminal convictions would result in an automatic denial of a real estate license?** There are certain convictions that result in an automatic denial of a real estate license. These offenses are outlined in 339.100.5 and 556.061 (see below). Even if the conviction is not one that results in an automatic denial of a license, the Commission may deny a license for a criminal conviction. The sections of the statutes that are applicable to this situation are 339.110 and 339.100.2 (18).

If the applicant has been convicted of an offense other than those that result in an automatic denial of a license, the MREC will conduct a background investigation and gather information about the applicant such as education, work experience, and residence history. A statement will also be obtained regarding the circumstances that led up to the charges being filed, the court proceeding, and what the individual has done since being convicted of or pleading guilty to the charge. Certified copies of records will be obtained from the court, and the applicant's sponsoring broker will be contacted to ensure they are aware of the offense(s) and they are willing to continue sponsorship. The applicant's probation officer will also be contacted if they are currently under or have been recently released from supervision.

The Commission makes its decision of criminal conviction investigations on a case-by-case basis and it utilizes the information obtained during the investigation to assist it in making its determination of issuance or denial of the license.

Relevant Statutory References

339.100.5, RSMo

5. Notwithstanding other provisions of this section, a broker or salesperson's license shall be revoked, or in the case of an applicant, shall not be issued, if the licensee or applicant has pleaded guilty to, entered a plea of nolo contendere to, or been found guilty of any of the following offenses or offenses of a similar nature established under the laws of this, any other state, the United States, or any other country, notwithstanding whether sentence is imposed:

(1) Any dangerous felony as defined under section 556.061, RSMo, or murder in the first degree;

(2) Any of the following sexual offenses: rape, statutory rape in the first degree, statutory rape in the second degree, sexual assault, forcible sodomy, statutory sodomy in the first degree, statutory sodomy in the second degree, child molestation in the first degree, child molestation in the second degree, deviate sexual assault, sexual misconduct involving a child, sexual misconduct in the first degree, sexual abuse, enticement of a child, or attempting to entice a child;

(3) Any of the following offenses against the family and related offenses: incest, abandonment of a child in the first degree, abandonment of a child in the second degree, endangering the welfare of a child in the first degree, abuse of a child, using a child in a sexual performance, promoting sexual performance by a child, or trafficking in children;

(4) Any of the following offenses involving child pornography and related offenses: promoting obscenity in the first degree, promoting obscenity in the second degree when the penalty is enhanced to a class D felony, promoting child pornography in the first degree, promoting child pornography in the second degree, possession of child pornography in the first degree, possession of child pornography in the second degree, furnishing child pornography to a minor, furnishing pornographic materials to minors, or coercing acceptance of obscene material; and

(5) Mortgage fraud as defined in section 570.310, RSMo.

556.061 (8), RSMo

"Dangerous felony" means the felonies of arson in the first degree, assault in the first degree, attempted forcible rape if physical injury results, attempted forcible sodomy if physical injury results, forcible rape, forcible sodomy, kidnapping, murder in the second

degree, assault of a law enforcement officer in the first degree, domestic assault in the first degree, elder abuse in the first degree, robbery in the first degree, statutory rape in the first degree when the victim is a child less than twelve years of age at the time of the commission of the act giving rise to the offense, statutory sodomy in the first degree when the victim is a child less than twelve years of age at the time of the commission of the act giving rise to the offense, and, abuse of a child pursuant to subdivision (2) of subsection 3 of section 568.060, RSMo, child kidnapping, and parental kidnapping committed by detaining or concealing the whereabouts of the child for not less than one hundred twenty days under section 565.153, RSMo;

339.110, RSMo

The commission may refuse to issue a license to any person who is known by it to have been found guilty of forgery, embezzlement, obtaining money under false pretenses, extortion, criminal conspiracy to defraud, or other like offense, or to any association or partnership of which the person is a member, or to any corporation of which the person is an officer or in which as a stockholder the person has or exercises a controlling interest either directly or indirectly.

339.100.2 (18), RSMo

2. The commission may cause a complaint to be filed with the administrative hearing commission as provided by the provisions of chapter 621, RSMo, against any person or entity licensed under this chapter or any licensee who has failed to renew or has surrendered his or her individual or entity license for any one or any combination of the following acts:

...

(18) Been finally adjudicated and found guilty, or entered a plea of guilty or nolo contendere, in a criminal prosecution under the laws of this state or any other state or of the United States, for any offense reasonably related to the qualifications, functions or duties of any profession licensed or regulated under this chapter, for any offense an essential element of which is fraud, dishonesty or an act of violence, or for any offense involving moral turpitude, whether or not sentence is imposed.

- 16. What about other convictions not mentioned above?** The Commission may deny licensure or seek revocation of an existing license, if an individual is convicted of offenses other than those identified in question 15. The decision is made on a case-by-case basis and the Commission will take into consideration the nature of the conviction, the severity of the conviction, as well as the age of the conviction.
- 17. Does the company name and telephone number have to be in an agent's advertisements?** Yes, regulation 20 CSR 2250-8.070 (4) requires that any advertisement in which a licensee's name and/or telephone number is included, must also include the name of the brokerage AND its telephone number.
- 18. There are misrepresentations about the condition of the property in the Seller's Disclosure Statement. What can I do?** Missouri does not have a mandatory seller's disclosure statement. If a seller's disclosure statement is provided, the licensee working with the seller is not required to independently verify the accuracy or completeness of the information provided by the seller pursuant to 339.730.3 RSMo. However, this same statute requires the licensee working with the seller to disclose material facts and adverse material facts that they know about the property to a customer. If the buyer was provided incorrect

information on a disclosure statement, they should seek legal advice regarding any available remedies.

COMPLAINT RELATED QUESTIONS

- 1. How do I file a complaint?** You may file a complaint by completing the form, which can be downloaded at <http://www.pr.mo.gov/boards/realestate/reccomplaintform.pdf>. If you are unable to download the form, you may call our office at 573/751-2628, select option 4, to have a form mailed or faxed. Section 339.100.1, RSMo and 20 CSR 2250-9.010(1) require that complaints be submitted to the Commission in writing on forms provided by the Commission.
- 2. What if there is not enough space on the complaint form for my complaint summary?** If there is not enough space for your complaint summary on our form, you may attach additional pages and mark the box that specifies that your complaint is attached on separate sheets.
- 3. What documentation needs to be attached to the complaint?** A complaint needs to include any and all documents that are pertinent and/or support the allegations of your complaint. Please send copies of your documents, and retain the originals for your personal files.
- 4. Can I fax the complaint form?** Because we need your complaint form to read as clear as possible, and due to the number of documents that must be submitted with the complaint, it is best to mail your complaint form and supporting documentation to: Missouri Real Estate Commission, PO Box 1339, Jefferson City MO 65102. You can also hand-deliver or overnight your complaint to: Missouri Real Estate Commission, 3605 Missouri Blvd, Jefferson City MO 65109.
- 5. What is the complaint process?** Once a completed complaint form has been submitted to our office, we send an exact copy to the subject(s) of your complaint, requesting that they respond within 30 days. Once a response is received, the documents are prepared for the Commission to review. (You will be sent a copy of the documents submitted by the respondent.) The complaint will then be reviewed by the Commission at their bi-monthly meeting to determine if the complaint warrants further investigation.
- 6. What if the subject(s) of my complaint do not submit a response to the Commission?** If a response is not received from the subject(s) of your complaint, the Commission will review the case without the benefit of their response.
- 7. How long does the complaint process take?** Because the Commission only meets every other month, and because the licensee is allowed 30 days to respond, the process for the Commission to consider a complaint takes a minimum of two months.
- 8. When will I be notified of the Commission's decision regarding my case?** You will typically be notified within 10 business days after the bi-monthly Commission meeting.
- 9. What are the possible outcomes of filing a complaint?** All complaints and responses are reviewed by the Commission and will either be dismissed or investigated. When a case is dismissed without further investigation, the Commission will sometimes direct a letter of

caution be sent to the licensee. A letter of caution is not a form of discipline or a public record. A complaint may also be dismissed with a notation to the complainant that the issue appears to be of a civil nature and that they may want to consult with their personal attorney.

If the complaint is investigated, an investigator will contact the parties and a formal report will be submitted to the Commission at a future meeting to determine if disciplinary action should be sought.

Note: Complaints received in which there is ongoing civil litigation may be placed on hold pending the outcome of the civil case.

- 10. What could happen to the licensee's real estate license?** A license can be placed on probation, suspended, revoked, and/or the licensee could be required to pay a fine.

- 11. Can the Missouri Real Estate Commission help me get my money back?** No. This is a civil matter that should be handled in civil court. Please contact an attorney for further guidance.

- 12. Can the Missouri Real Estate Commission help me get out of a contract?** No. This is a civil matter that should be handled in civil court. Please contact an attorney for further guidance.

- 13. Can the Missouri Real Estate Commission handle disputes over commissions?** The MREC is prohibited from becoming involved in commission disputes (see 20 CSR 2250-2.040). Please contact an attorney for further assistance.

- 14. Can I withdraw a complaint that I have already filed?** You may submit a letter of withdrawal. However, the Commission will still review the case to determine if further investigation is warranted.

- 15. How can I check the status of a pending complaint?** If you are a party to the complaint, you may call our office at 573/751-2628. The complaint department can be reached by selecting option 4 from the automated system.

- 16. What if I am unable to respond to a complaint filed against me within the 30-day timeframe?** Your response must be postmarked within 30 days from the date of our letter requesting a response. This is a requirement established by 20 CSR 2250-8.170 (1), which states, "Failure of a licensee to respond in writing, within thirty (30) days from the date of the commission's written request or inquiry, mailed to the licensee's address currently registered with the commission, will be sufficient grounds for taking disciplinary action against that licensee."

- 17. Can I fax my response?** Because we need your response to read as clear as possible, and due to the number of documents that must be submitted, it is best to mail your response and supporting documentation to: Missouri Real Estate Commission, PO Box 1339, Jefferson City

MO 65102. You can also hand-deliver or overnight your response to: Missouri Real Estate Commission, 3605 Missouri Blvd, Jefferson City MO 65109.

- 18. Will I need to be present at the Commission meeting when my case is reviewed?** No. The Commission will determine during their closed-session portion of the bi-monthly meeting whether the case is to be investigated further or if it will be dismissed.
- 19. Are complaints public information?** No, pending complaints and investigations are not public information; however, disciplinary action resulting from a complaint or investigation is public.
- 20. Can I file a complaint so the Commission can review my earnest money disputes or commission issues?** Filing a complaint will not resolve either earnest money or commission issues. The Commission does not have authority to resolve either the disbursement of earnest money or commission obligation issues. Many issues such as these require the involvement of an attorney and possibly pursuing legal action.
- 21. A broker won't return my earnest money. What can I do?** The MREC cannot mandate the return or forfeiture of earnest money. Typically a real estate licensee will not release the earnest money until they receive a fully executed document directing them how to disburse the funds. In the absence of a mutual release signed by all parties, the broker "may" choose to exercise the option available to them under 20 CSR 2250-8.130 to disburse the funds from their escrow account. A broker is not required to follow this regulation as it does not relieve them from civil liability. If a broker chooses not to exercise this option, then they are required pursuant to 339.105.4 RSMo to turn the funds over to the Unclaimed Properties Division of the Missouri Treasurer's office within 365 days of the initial projected closing date.

AUDIT RELATED QUESTIONS

- 1. I have been randomly selected for an audit. I have a current broker license and haven't had any activity. Will an audit still need to be conducted?** Yes, an examiner will still need to meet with you, even if you have had no real estate or property management activity. In some rare instances, the audit can be conducted by mail, but the auditor will determine if that is possible when they call to schedule the audit.
- 2. Do I need to complete a Consent to Examine and Audit Escrow or Trust Account form if the bank has changed names?** Yes, the Commission must be notified on a Consent to Examine or Audit Escrow or Trust Account form of any change to an escrow account, including a bank name change. This form can be downloaded at <http://pr.mo.gov/boards/realestate/375-0576s.pdf>.
- 3. How will I know how my audit compares with other audits in terms of Commission action that is taken? What happens to my audit after the exit interview is completed with the examiner?** The office staff and/or the examiner can't make a comparison nor tell you how the Commission will rule on your audit. The report is submitted to the Commission office and will go before the Commission at its next scheduled meeting. The broker will receive written notification of the results after the Commission reviews the report. Some other possible outcomes after the Commission's review include requesting specific corrective action, directing that a re-audit be conducted, or referring the audit to the Attorney General's office for possible disciplinary action.
- 4. I was cited in a random audit for not having a fictitious name registered properly with the Commission. The fictitious name was incorrectly used on a contract by an agent. I have talked to the agent and the agent is now aware to only use the corporation's licensed name. How do I respond to the audit regarding this citation?** You will need to submit a response outlining how the violation occurred and provide a written statement that you are no longer using the identified fictitious name.
- 5. I would like to better prepare myself in case I am randomly selected for an audit. What information do you have available to help us prepare for the visit?** To assist you in preparing for our visit, you can access the MREC's Audit Guidelines on the Internet at <http://pr.mo.gov/boards/realestate/guides.pdf>. If you do not have Internet access, you may contact the Commission office at (573) 751-2628 to have the information mailed or faxed.
- 6. I have received notification by mail that I have been chosen through a random selection computer program to be audited by the MREC staff. What are the next steps?** You will receive a courtesy telephone call prior to the visit to determine a mutually acceptable time to conduct the examination and to obtain preliminary activity information (number of listings, etc.) An examiner will be conducting the audit at your place of business. An examiner may not be able to accommodate scheduling conflicts. The audit will include any escrow account(s) you may have as well as your real estate records. You will need to have your bank records, listings, pending and closed transaction files, and property management records ready to review.

- 7. Can I store my real estate records at another location other than my place of business?**
Yes, as long as you can produce your records for our staff if you are selected for audit.
- 8. How long before the broker hears from the Commission concerning the audit?** It varies.
Depending on when the audit is completed, whether the examination supervisor requests additional documentation from the examiner, and when the agenda must be prepared and mailed, typically 3 - 5 months will pass before the broker hears from the Commission.
- 9. Should the broker immediately start correcting problems found in the audit?** It depends.
While the examiner typically goes over the noted violations at the end of the fieldwork, because the audit is not considered complete until reviewed by the Commission, the final report may differ slightly from the exit interview between the examiner and broker. Therefore, the broker must decide if the issues discussed warrant immediate action and if new procedures should be implemented to ensure future compliance.

While the examiner may be able to give suggestions for future compliance, the examiner will not give specific instructions or demand that actions be taken. This is not within the scope of the examiner's duties or powers.

EDUCATOR QUESTIONS

- 1. If the schools approve instructors, what criteria will have to be met?** The hiring, training, etc. of instructors falls solely with the school. Obviously, due to the pass rate requirements and the potential for disciplinary action, it will be even more important that the schools hire and retain only the best instructors to represent their school.
- 2. Where can I find salesperson and broker course content?** Regulations state the course content is to be determined by the exam specifications from the testing company that were identified by a national job analysis of the real estate profession. A copy of those specifications can be found on AMP's website at: <http://www.goamp.com>.
- 3. When will schools have to renew their accreditation?** The accreditation of all schools, whether they offer pre-examination courses, the 24-hour practice course, or CE courses will expire March 31st. The first renewal period will be for no more than one year, and then the accreditation will need to be renewed in their second odd-numbered year.
- 4. How long will CE courses be approved?** It will depend. Provided the school who received approval for the course remains accredited, each CE course approval will expire at the end of the two year renewal period. Therefore, courses will expire on September 30th of even numbered years and provided it is not substantially changed and the renewal application is made BEFORE the expiration of the course approval, the offering of that course (with the same course number) can continue. However, if the school who received approval for the course does not renew their accreditation, the approval for that course will expire on March 31st of that school's renewal year. In addition, approval of distance delivery courses may be withdrawn if statistics indicate that at least 50% of students took less time to complete the course than identified on the course submission.
- 5. Will the schools have to submit schedule forms and attendance rosters to the MREC?** Yes. All schedule and attendance forms must be submitted to the MREC by e-mail. In addition, schools offering continuing education must submit an ACSII file for attendance rosters so that completions can be downloaded to an education database.
- 6. Can my school use another school's course? How is approval obtained?** Once a course is approved for a school, with written permission from THAT school, another approved school can offer that EXACT class without submitting a course application to the MREC. In other words, as long as you are accredited as a real estate school and the course is currently approved by the Commission, there is no need for a secondary provider to resubmit the same course for approval. However, the school may not modify the course and "tweak" it to fit specific needs.
- 7. When will the annual educators' meeting be held?** The annual meeting will be held in the fall of each year.

8. Will on-line courses have to be certified by ARELLO? ARELLO certification is not required. However, you are strongly encouraged to obtain the certification before you submit your courses as it is a tremendous time-saver to staff in reviewing your course for consideration.