

# PROPERTY MANAGEMENT LICENSING REPORT

August 5, 2013

IREM® Legislative White Paper



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## Background

The issue of property management licensure has been under study by IREM since a special committee was appointed at the 1990 Annual Convention in New Orleans, Louisiana. In order to meet this need, research has been undertaken to determine the extent that state laws provide guidelines for competent property managers and to prepare model legislation and a legislative program for chapters to undertake in addressing property management licensure under the existing real estate laws of their state.

In order to complete this task, IREM's Property Management Licensing Study Committee outlined a strategy for communicating IREM's position on property management licensing to other real estate organizations, particularly to the Association of Real Estate License Law Officials (ARELLO).

Since the original 1991 report, this briefing paper has been updated several times. The current version was completed in July, 2013.

## Foreword

For purposes of comparison and review, information regarding individual states is presented using similar conventional terms, regardless of the actual wording in the state law. The following terms have been used to report on each state in a more or less uniform manner:

- **Broker/agent** refers to the traditional legal broker agent relationship wherein the broker is a principle and the agent works under the supervision of the broker. In some states, agents are referred to as salesmen, sales agents, etc.
- **Renting and leasing activities** consist of offer to lease or rent; negotiating to lease or rent; attempting to procure a lease or rent; etc.
- In all cases, unless otherwise mentioned, "**property manager**", "**property management**", etc., refers to third party fee managers and management. Generally, state statutes include language stating that license requirements apply to individuals who, for a fee, commission, or other valuable consideration, engage in a real estate activity on behalf of another.
- In its model property licensing language (see Appendix A) IREM has defined "**property management**" as follows:

**Property management shall mean and include actions undertaken for another, pursuant to an agreement, in exchange for a fee, commission, compensation, or other valuable consideration, in the marketing; leasing; the physical, administrative, or financial maintenance; and overall management of real property; or supervision of such actions.**

## Research Methodology

For the purposes of this white paper, IREM legislative staff researched each state's real estate licensing law and applicability to property management. IREM staff examined the real estate licensing authority in all fifty states and the District of Columbia to survey respondents about their jurisdiction's requirements for property management licensing. State statutes and regulations were researched to determine exact

language and scope of the laws and rules.

The objective of the research was to ascertain:

- If property management is a regulated activity.
- If so, by what manner is property management made a covered real estate activity (i.e., definition of functions; specific inclusion of management as a covered practice; etc.)
- Exemptions to the licensing requirements.
- Recent regulatory or legislative activity regarding property management.
- Regulatory or legislative activity to be expected in the near future regarding property management.

## Summary of Findings

Through the research, IREM staff observed the following:

- Most states regulate property management by including management functions such as leasing, offers to lease, negotiating leases, renting, collecting rent, etc., as covered real estate activities. In many cases, property managers who do not engage in leasing or renting activities are exempt from licensure. The typical definition of broker also specifies that these activities are being done for another individual for a fee, commission or other valuable consideration. Individuals managing their own properties are generally exempt from licensing requirements.
- States that license property management by including leasing and renting activities as covered practices also include leasing and renting questions on state exams.
- Many states exempt on-site residential managers from license requirements as long as they do not engage in leasing activities. A few states require that the on-site residential manager is employed by the property owner. Some states do not require a residential manager to live on-site but limit the manager to working for only one property.
- Many commissions are looking to address property management under existing real estate broker/agent laws by addressing property management and management functions in administrative rules.
- Many states are trying to define property management for licensing purposes. Lack of a clear definition was often mentioned as an obstacle to regulation.
- Common interest association management continues to be considered as an area for regulation, although no trend in licensure activity seems evident.

## Observed Deficiencies in Existing Laws

- Lack of clarity in defining property management.
- Failure to distinguish property management from other licensed activities.
- Lack of clarity regarding exemptions from licensed management activity, such as regular employees, on-site residential managers, holding companies, etc.

## Individual State Findings

Below are the results of IREM's analysis of real estate licensing statutes of all fifty states and the District of Columbia. Each summary indicates whether a separate license is required or a limited license is offered by the state. Separate licenses must be obtained in addition to, or in place of a broker's or agent's license. Holding a broker's or agent's license does not exempt the property manager from the obligation to obtain this separate license. A limited license may be obtained in lieu of a broker's or agent's license and gives the bearer the right to engage in property management activities only. Engaging in brokerage activities would still require a broker's or agent's license.

### ***Disclaimer:***

*It is important to note this information is accurate as of August 5, 2013 and is subject to change. The information in this white paper does not constitute legal advice. This report is intended to provide general information and should not be relied upon as legal or regulatory guidance. Contact your state real estate licensing commission to confirm current information.*

### **Alabama**

Alabama Real Estate Commission  
1201 Carmichael Way  
Montgomery, AL 36106-4350  
(334) 242-5544  
<http://arec.alabama.gov/>

*Separate License Required: No      Limited License Offered: No*

Licenses property management as a real estate activity under existing broker/agent laws. Managers of apartment buildings or complexes are exempted from licensure in Alabama, though those acting as on-site managers of condominium buildings or complexes must still be licensed. License law was revised in 2006.

### **Alaska**

Department of Commerce, Community, and Economic Development, Corporations, Business & Professional Licensing  
Real Estate Commission  
550 W. 7th Avenue, Suite 1500  
Anchorage, AK 99501-3567  
(907) 269-8156  
<http://commerce.alaska.gov/dnn/cbpl/Home.aspx>

*Separate License Required: Yes      Limited License Offered: Yes*

Under Chapter 88 of the Alaska Real Estate Commission's regulation entitled "Real Estate Statutes and Regulations" a person may not collect fees for community association management or practice or negotiate for a contract to practice community association management unless licensed as a real estate broker, association real estate broker, or real estate salesperson in this state (Chapter 88, Article 02, Section 08.88.161.(5) and (6)). A person can qualify for a limited license to practice community association management by obtaining an associate broker license if, at the time of issuance, the person is employed by a broker (Sec. 08.88.171.(e-f)).

### **Arizona**

Department of Real Estate  
2910 N. 44th Street, Suite 100  
Phoenix, AZ 85018  
(602) 468-1414  
<http://www.re.state.az.us/>

*Separate License Required: No      Limited License Offered: No*

Licenses property management as a real estate activity under existing broker/agent laws if leasing activities or

collection of rents is involved. Laws are applied universally to commercial and residential management. Property management companies must be licensed. An exemption is provided to individuals who manage (1) only a single property (generally, but not necessarily on-site) on behalf of an owner during the course of a day; or (2) who manage no more than one non-residential property or no more than two non-residential properties if they are contiguous and under common ownership. There are additional exemptions that exist, but are too numerous to be covered in the course of this paper. To read all exemptions, read [32-2121](#) of Arizona Title 32: Professionals and Occupations. Approximately 5% of the licensing exam is dedicated to property management questions.

In addition to the above licensing requirements, Arizona also has strict trust account rules that require that all property management accounts be trust accounts. All of the owner's monies are to be handled through such an account, unless the owner specifies that the monies be deposited directly into the owner's account. The broker is not to have access to the owner's account.

### **Arkansas**

Real Estate Commission

612 South Summit Street

Little Rock, AR 72201-4740

(501) 683-8010

<http://www.arec.arkansas.gov/Pages/default.aspx>

*Separate License Required: No      Limited License Offered: No*

Licenses property management as a real estate activity under existing broker/agent laws, which cover leasing, renting, and collecting rent. Residential on-site managers are exempt from licensing, even if they engage in leasing activities. A provision also exempts persons, firms, co-partnerships, associations, or corporations who as owner or lessor shall perform any covered activities with reference to the property owned or leased by them where such acts are performed in the regular course of, or as incident to, the management of the property and investment therein. In most cases, this would remove common interest property management from licensing activities. Questions concerning the covered management activities are possible on the real estate examination.

### **California**

State of California

Department of Real Estate

Post Office Box 187000

Sacramento, CA 95818-7000

(916) 227-0931

<http://www.dre.ca.gov/>

*Separate License Required: Yes      Limited License Offered: No*

California has somewhat of a unique take on the management of a community associations. A person may engage in the activities of a community association manager and perform all duties associated with the position in the state of California without being certified. It is considered dishonorable for someone to perform the duties as a "certified common interest development manager" (CCIDM) without complying with official codes set forth by the state. The voluntary Manager Certification Titling Act, modifying the requirements needed to be called a "certified common interest development manager." Additionally, under SEC. 4. [Section](#) of the amended Business and Professions Code, the continuing education courses required for a manager to call herself/himself a "Certified CID Manager" are preserved. A CCIDM does not include a common interest development management firm. This Act will remain in effect until January 1, 2015.

### **Colorado**

Department of Regulatory Agencies

Division of Real Estate

1900 Grant Street, Suite 600

Denver, CO 80203  
(303) 894-2166  
<http://www.dora.state.co.us/real-estate>

*Separate License Required:* No      *Limited License Offered:* No

Licenses property management under existing broker/agent laws by including renting and leasing as covered activities. There is an exemption for on-site residential managers of apartments or condominiums who are salaried employees if they do not negotiate lease terms. Property management activities are covered on the real estate exam, comprising 12 questions.

Beginning July 1, 2015, a person who performs the duties of a community association manager including, dealing with money, preparing budgets, assists with the board or unit owners, coordinates maintenance, conducts property inspections, and any other day-to-day operations, must be licensed under the, "Colorado Common Interest Ownership Act" (Colorado Revised Statutes, [38-33.3-209.4](#)). Management company CEOs and executives of management companies will also be required to be licensed if they directly supervise managers of community associations. Rule-making for the Act has not commenced as of July, 2013 and is expected to begin summer of 2014.

### **Connecticut**

Department of Consumer Protection  
165 Capitol Avenue, Room 110  
Hartford, CT 06106  
(860) 713-6150  
<http://www.state.ct.us/dcp/>

*Separate License Required:* No, but must register      *Limited License Offered:* No

The Connecticut Legislature has amended a number of provisions of the state's Condominium and the Common Interest Ownership Acts, as well as the provisions of the Connecticut statutes governing the registration of managers, effective on October 1, 2007. The statute amended the provisions that govern the registration of property managers, and broadens the range of people that must register with the Department of Consumer Protection.

[Section 20-450](#) states that professionals who are licensed by the state, such as attorneys, are exempt from having to register. An officer or director is also exempt, so long as he or she does not control more than two-thirds of the voting power in the association.

### **Delaware**

Real Estate Commission  
861 Silver Lake Blvd., Suite 203  
Dover, DE 19904  
(302) 739-2711219  
<http://dpr.delaware.gov/boards/realestate/index.shtml>

*Separate License Required:* No      *Limited License Offered:* No

Property managers are licensed under existing broker/agent laws. Managers of any property type are required to have a license. However, regular employees of the owner of a property who engage in management activities related to that property, which are incidental to their positions, are exempt from license requirements. Property owners or lessors who engage in leasing activities related only to their own properties are also exempt from license requirements. On-site managers are not treated differently than off-site managers. Property management companies are not required to be licensed. Covered management activities are included on the licensing exams.

## **District of Columbia**

Board of Real Estate

941 North Capitol Street, NE, Room 7200

Washington, DC 20002

(202) 442-4320

<http://www.pearsonvue.com/dc/realestate/>

*Separate License Required: Yes Limited License Offered: Yes*

The Real Estate Board of the District of Columbia's Department of Consumer and Regulatory Affairs regulates community association managers as commercial "property managers." Unless licensed as such by the District of Columbia, no person shall use the term or words "property manager" to imply that he or she is licensed as a property manager in the District. Those already holding a broker's license are not required to obtain a separate property manager license. [§47-2853.141](#) states that, "the property manager shall not perform any activities that relate to listing for sale, offering for sale, buying or offering to buy, negotiating the purchase, sale, or exchange of real estate, or negotiating a loan on real estate for a fee, commission, or other valuable consideration."

Eligibility is broad and there are no pre-licensing requirements for property managers. All real estate licensees are required to complete 15 hours education as determined by the Real Estate Board. The examination utilized for licensure of "property managers," does not measure the core competencies of community association managers.

## **Florida**

Florida Real Estate Commission

Regulatory Council of Community Association Managers

1940 North Monroe Street

Tallahassee FL 32399 850.487.1395

<http://www.myfloridalicense.com/dbpr/re/frec.html>

*Separate License Required: Yes Limited License Offered: No*

A separate Community Association Manager's license is required when a community association manager receives compensation for services, disburses or controls the funds of a community association, and the association or associations served contain more than 10 units or have an annual budget(s) in excess of \$100,000.00.

Management firms must have been licensed effective January 1, 2009. Licenses will be renewed on September 30 of odd numbered years. For management firms receiving licenses prior to September 30, 2011, the licenses will be valid through September 30, 2013 and so on. Each management firm seeking licensure with the department must designate at least one community association manager (CAM) who will respond to inquiries from and investigations by the department. Note: IREM has an official position against separate licenses for community association managers. Read the Statement of Policy on page 25. The CAM examination must be passed within 12 months of completion of the pre-licensure course certification.

## **Georgia**

Real Estate Commission

International Tower - Suite 1000

229 Peachtree Street NE

Atlanta, GA 30303-1605

(404) 656-3916

<http://www.grec.state.ga.us/about/grec.html>

*Separate License Required: Yes Limited License Offered: No*

Community association managers (CAMs) must be licensed under the Georgia [Real Estate Commission, Chapter 40 REAL ESTATE BROKERS AND SALESPERSONS](#), in order to function as a community association manager in the state:



(4.2) "Community association management services" means the provision, for a valuable consideration, to others of management or administrative services on, in, or to the operation of the affairs of a community association, including, but not limited to, collecting, controlling, or disbursing the funds; obtaining insurance, arranging for and coordinating maintenance to the association property; and otherwise overseeing the day-to-day operations of the association.

(4.3) "Community association manager" means a person who acts on behalf of a real estate broker in providing only community association management services.

Individuals must be at least 18 to be licensed as a community association manager (CAM), and applicants for the CAM exam must complete at least 25 educational course hours; there are no experience requirements for a community association manager's license.

The Commission may require that each broker who provides community association management services under this and who collects, controls, has access to, or disburses community association funds shall at all times provide or be covered by a fidelity bond or fidelity insurance coverage protecting the community associations being managed by the broker against loss of any funds belonging to those community associations being held or controlled by the broker.

### **Hawaii**

Real Estate Commission  
250 South King Street, Room 702  
Honolulu, HI 96813  
(808) 586-2643  
[www.hawaii.gov/hirec](http://www.hawaii.gov/hirec)

*Separate License Required: No      Limited License Offered: No*

Property managers are licensed under existing broker/agent laws. Property management became a licensed activity under broker law as a means of ensuring competency and honesty, and as a result of consumer complaints against property managers. There are limited exemptions for on site residential managers (custodial and care taker exemptions). Condominium and condominium hotel managers are required, in addition to holding a broker/agent license, to be registered and bonded. On site managers are not treated differently than off site managers. Property management companies are also required to be licensed; however employees of a licensed broker who is registered as a condominium managing agent do not need licenses. Similarly, employees who only perform or facilitate the delivery of customary hotel services as employees of a licensed broker who is registered as a condominium hotel operator do not need a license. Hawaii does not foresee changes to its current license law as it relates to property management activities. Questions pertaining to property management are contained in the broker's license exam.

### **Idaho**

Real Estate Commission  
Post Office Box 83720  
Boise, ID 83720-0077  
(208) 334-3285  
<http://irec.idaho.gov/>

*Separate License Required: No      Limited License Offered: No*

Has not licensed property management or most leasing activities since 1981 when the state legislature could not agree on real estate activities to be regulated. Currently, leasing activities are not considered covered activities unless the lease, offer to lease, or lease negotiations involve options to sell, or other provisions for the sale of the property. As of July, 2013, the Idaho Real Estate Commission's Property Management Working Group is currently studying the issue of licensing property management either under current broker/salesperson law or under a separate license.

## **Illinois**

Office of Banks and Real Estate  
500 East Monroe Street, Suite 200  
Springfield, IL 62701  
(217) 782-3390  
<http://www.state.il.us/obr>

*Separate License Required: No      Limited License Offered: Yes*

Licenses property management under existing broker/agent laws by including renting and leasing activities as covered practices. The state also offers a separate leasing agent license that enables the holder to engage in residential leasing activities. The primary reason for regulating property management is to allow building managers to accept deposits. Property managers who engage strictly in building services and other non leasing related activities would be exempt from licensing, although property managers are not likely to restrict themselves to just these activities. On site residential managers who engage in leasing activities are also exempt from licensing. Leasing agents have their own exam.

Community association managers must have a separate license under the [Illinois Community Association Manager Licensing Act](#) ("Act"), which went into effect on July 1, 2010. Rules for the Act were created in 2011 and any community association manager (CAM) in Illinois must hold a license starting on September 30, 2012. An applicant must pass a test and complete an education requirement of 20 hours. The education requirement does not apply to people holding an IL broker, salesperson, or managing broker license. Community and condo association directors, officers or members who are not compensated for their management services are not required to obtain the CAM license if there are 10 units managed or less.

## **Indiana**

Professional Licensing Agency  
302 W. Washington Street, Room EO34  
Indianapolis, IN 46204  
(317) 232-2980  
<http://www.in.gov/pla/real.htm>

*Separate License Required: No      Limited License Offered: No*

Property management is covered under the broker and salesman's licenses by including renting, leasing, and managing as covered activities. Exemptions are granted for regular employees of owners and for the rental of residential apartment units by an individual employed or supervised by a licensed broker. Owners whose only regulated activities are in relation to a maximum of 12 apartment units located on a single or contiguous parcels of land may rent them without a license.

## **Iowa**

Real Estate Commission  
1918 SE Hulsizer Avenue  
Ankeny, IA 50021-3941  
(515) 281-3183  
<http://www.state.ia.us/government/com/prof/sales/home.html>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by including renting and leasing property for others as a covered activity. Resident managers are exempt from licensing.

## **Kansas**

Real Estate Commission  
Three Townsite Plaza, Suite 200  
120 SE 6th Avenue  
Topeka, KS 66603-3511  
(785) 296-1771  
<http://www.kansas.gov/krec>

*Separate License Required: No      Limited License Offered: No*

Covers leasing activities under existing broker/agent laws but defines leasing as applicable to nonresidential property only. Consequently, *commercial* property management that involves leasing is a covered activity while *residential* property management that includes leasing is not a covered activity. Commercial management that does not involve leasing is not a covered activity. Property management companies are not required to be licensed.

### **Kentucky**

Real Estate Commission  
10200 Linn Station Road, Suite 201  
Louisville, KY 40223  
(502) 425-7250  
<http://krec.ky.gov/Pages/default.aspx>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by specifically defining property management. Property managers that manage multi-family rental units, community associations, office buildings, shopping centers, and all properties belonging to others must be licensed. There are exemptions for regular employees and on-site residential managers who receive a set salary and do not receive any commissions or bonuses. Property management companies are not required to be licensed. There have been no recent changes to Kentucky's real estate licensing laws.

### **Louisiana**

Real Estate Commission  
Post Office Box 14785  
Baton Rouge, LA 70898-4785  
(225) 925-1923  
<http://www.lrec.state.la.us/>

*Separate License Required: No      Limited License Offered: No*

Property management is included as a covered activity under the existing broker/agent laws. If a person is salaried and working for a licensed broker and participating in management activities (with the exception of negotiating leases), that person is exempt from the licensing requirement.

### **Maine**

Real Estate Commission  
35 State House Station  
Augusta, ME 04333-0035  
(207) 624-8515  
[http://www.maine.gov/pfr/professionallicensing/professions/real\\_estate/index.htm](http://www.maine.gov/pfr/professionallicensing/professions/real_estate/index.htm)

*Separate License Required: No      Limited License Offered: No*

Does not license property managers, rental agents, or leasing agents. There have been no changes to real estate license law in recent history and no changes are anticipated in the near future.

**Maryland**

Real Estate Commission

500 N. Calvert Street

Baltimore, MD 21202-3651

(410) 230-6200

<http://www.dllr.state.md.us/license/mrec/>

*Separate License Required: No Limited License Offered: No*

Leasing and collecting rents are included as real estate brokerage services under the state's brokerage licensing requirements. However, if a person is acting as an agent for an owner or a broker while managing or leasing property for the owner or broker, that person is exempt from the requirements. Persons negotiating the sale, lease, or other transfer of a business enterprise are exempt from the license requirement if the proposed transfer does not include any interest in real property other than a lease under which the business enterprise operates.

**Massachusetts**

Real Estate Board

239 Causeway Street, Suite 500

Boston, MA 02114

(617) 727-2373

<http://www.mass.gov/dpl/boards/re>

*Separate License Required: No Limited License Offered: No*

Does not license property managers. Although renting and leasing activities are covered under existing broker/agent law, if a property manager's only involvement in those activities is incidental to his involvement as a property manager, the exemption from licensure would still apply.

**Michigan**

Department of Licensing and Regulatory Affairs

Post Office Box 30004

Lansing, MI 48909

(517) 241-1820

<http://www.cis.state.mi.us/>

*Separate License Required: No Limited License Offered: No*

Property managers must obtain a Michigan real estate license under the definition of either Salesman or Broker. Property management is "defined as the leasing or renting, or the offering to lease or rent, of real property of others for a fee, commission, compensation, or other valuable consideration pursuant to a property management employment contract." No license is required for direct employees acting on behalf of the property owner. Also, if activities are limited to such areas as property upkeep or bookkeeping functions, and do not include leasing or renting of the property, a license is not required. Both the Broker exam and Salesperson exam contain property management questions. There has been some recent activity, in 2012, regarding the potential for a future requirement for a separate license.

**Minnesota**

Minnesota Department of Commerce

Licensing Division

85 7th Place East Suite 600

St Paul, MN 55101

(651) 296-6319

<http://mn.gov/commerce/topics/real-estate/licensing.jsp>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by specifically including management as a covered activity. Exempts caretakers from licensing and may exempt on-site residential managers who meet the statutory requirements for exemption. According to Minnesota's Commerce Department, exemptions are valid for any custodian, janitor, or employee of the owner or manager of a residential building. If the property manager is providing management services to more than one owner, this person would not be exempt. However, if the property manager manages property for only one owner, this person would be presumed to be an employee of the owner, i.e. in most cases, exempt from the licensing requirements.

### **Mississippi**

Real Estate Commission

Post Office Box 12685

Jackson, MS 39236-2685

(601) 932-6770

[http://www.mrec.ms.gov/license\\_law.html](http://www.mrec.ms.gov/license_law.html)

*Separate License Required: No      Limited License Offered: No*

Licenses property managers under existing broker/agent laws by including management and leasing as covered activities. Exempt from licensing requirements are "any person, partnership, association or corporation, who, as a bona fide owner, shall perform any [act requiring a brokers license in the Code] with reference to property owned by them, or to the regular employees thereof who are on a stated salary, where such acts are performed in the regular course of business."

### **Missouri**

Real Estate Commission

Post Office Box 1339

Jefferson City, MO 65102-1335

(573) 751-0293

<http://pr.mo.gov/realestate.asp>

*Separate License Required: No      Limited License Offered: No*

Has always covered leasing as an activity under broker/agent laws. Under state law, only brokers and salespersons under the direct supervision of a broker can administer trust and escrow accounts. Consequently, property managers are covered under the existing broker/agent laws. There is an exemption that covers any person employed or retained to manage real property as long as they limit themselves to certain activities, including receiving and delivering leases and lease applications, payments, and deposits, showing units under the instructions of the broker or owner, including the execution of leases, and assisting in the performance of brokers' or owners' functions, administrative, clerical or maintenance tasks.

### **Montana**

Board of Realty Regulation

Post Office Box 200513

301 South Park

Helena, MT 59620-0513

(406) 444-2961

[http://bsd.dli.mt.gov/license/bsd\\_boards/rre\\_board/board\\_page.asp](http://bsd.dli.mt.gov/license/bsd_boards/rre_board/board_page.asp)

*Separate License Required: No      Limited License Offered: Yes*

Licenses property managers separately from broker/agent laws under legislation enacted in 1993. To obtain a license only to manage properties (in other words, not engage in leasing or brokerage activities) an applicant must complete a minimum of 30 hours of property management pre-licensure education approved by the Real Estate

Board, make application, pay required fees, and take the property management license exam. Annual continuing education requirements (12 hours) must be completed. The licensing exam includes the subjects of real estate leasing principles, real estate leasing law, and related topics.

### **Nebraska**

Real Estate Commission  
Post Office Box 94667  
Lincoln, NE 68509-4667  
(402) 471-2004  
<http://www.nrec.state.ne.us/>

*Separate License Required: No      Limited License Offered: No*

Property managers are licensed under existing broker/agent laws which cover renting, leasing and collecting rents. Individuals managing multi family rental units, community or home owner associations (if conducting real estate broker/agent activities), office buildings, shopping centers, single family homes, and property of a third party are required to be licensed. Property managers are required to hold a license, regardless of whether or not they engage in leasing activities. A salesperson may engage in property management activities if they are working under a licensed broker. On-site residential Managers are exempt from licensing, as are employees, parents, children, brothers and sisters of owners. Property management companies are not required to be licensed.

### **Nevada**

Department of Business & Industry  
Real Estate Division  
2501 E. Sahara Ave., Suite 102  
Las Vegas, NV 89104-4137  
(702) 486-4033  
<http://www.red.state.nv.us/>

*Separate License Required: Yes      Limited License Offered: No*

Licenses property management under existing broker /agent laws and also requires a separate Property Manager Permit. Individuals managing multi-family units, community or home owners associations, office buildings, and shopping centers are required to hold these licenses, with the exception that individuals managing only community or homeowners associations may instead hold a Community Association Managers Certificate administered by the [Commission for Common Interest Communities](#).

An applicant for the Property Management Permit must show proof of the following: having a Nevada real estate license; attending an accredited 24-hour Property Management pre-permit course; and passing the Nevada Property Management state examination within one year of date of application. See all prerequisites for the certification [here](#).

### **New Hampshire**

Real Estate Commission  
64 South Street  
Concord, NH 03301-3670  
(603) 271-2701  
<http://www.state.nh.us/nhrec>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by including renting, leasing, collecting rents, etc., as covered activities. A salesperson may engage in property management activities if they are working under a licensed broker. An exemption applies to an owner, builder, or tenant of real estate or to regular employees with

respect to property owned or leased by the owner, builder, or tenant, or to a prospective purchaser or tenant of real estate or to regular employees with respect to property sought to be acquired or leased by the purchaser or tenant.

### **New Jersey**

Real Estate Commission  
20 West State Street  
Post Office Box 328  
Trenton, NJ 08625-0328  
(609) 292-7272

<http://www.state.nj.us/dobi/remnu.shtml>

*Separate License Required: No      Limited License Offered: No*

Property managers are licensed under existing broker/agent laws. A license is required if a property manager engages in collection of rents, leasing activities, or soliciting tenants for vacant units. A salesperson may engage in property management activities if they are working under a licensed broker. Covered properties include multi-family rental units, office buildings, shopping centers, and any other type of rental properties. Owners who manage their own properties are exempt. Management of community and home owners associations requires a license only if the individual is engaged in rental, leasing, sales, or advertising activities. On site managers are not treated differently than off site managers. Property management companies are also required to be licensed.

### **New Mexico**

Real Estate Commission  
5200 Oakland Ave. NE, Suite #B  
Albuquerque, NM 87113

Phone: (505) 222-9820  
(800) 801-7505

[http://www.rld.state.nm.us/boards/Real\\_Estate\\_Commission.aspx](http://www.rld.state.nm.us/boards/Real_Estate_Commission.aspx)

*Separate License Required: No      Limited License Offered: No*

A property manager is a broker who, for a fee, salary, commission or other valuable consideration, is engaged in managing property for others. Property management is expressly defined as including the showing, renting and leasing of real property, the collection and disbursement of funds on behalf of other persons, the supervision of employees as specified in the management agreement, the supervision of maintenance and repair work, handling of tenant relations, and/or preparation of financial reports. Property management does not include listing and marketing properties for sale, repairs and maintenance incident to the sale and authorized by the owner. Employees of the owner or of a broker are generally exempt when engaging in property management activities.

### **New York**

Division of Licensing Services  
84 Holland Avenue  
Albany, NY 12208-3490  
(518) 473-2728

<http://www.dos.state.ny.us/lcns/realest.html>

*Separate License Required: No      Limited License Offered: No*

Property managers are licensed under existing broker/agent laws. Property managers are required to hold a brokers license irrespective of property type, and property managers are only exempt from license law requirements if they do not engage in leasing, offers to lease, lease negotiations, or other lease or sales-related activities. On site managers are not treated differently than off site managers. Property management companies are also required to be licensed.

**North Carolina**

Real Estate Commission  
Post Office Box 17100  
Raleigh, NC 27619-7100  
(919) 875-3700  
<http://www.ncrec.state.nc.us/>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent law by including leasing and renting as covered activities. Provides an exemption for on-site residential managers and other salaried employees who show apartments and collect rents. Owners who manage their own properties are exempt. However, the state is a strict legal title state and requires that owners are exempt only if management (i.e., leasing, renting, etc.) is done by the legal title holder. Related partnerships or holding companies that lease the property are not exempt. For example, if ABC Corporation is the legal title holder, ABC Management Corporation, as a subsidiary of the ABC Corporation, is not exempt from the broker/agent coverage.

The General Assembly authorized the Real Estate Commission to adopt a streamlined process for firms and brokers licensed in other states who want to enter North Carolina for commercial real estate transactions. The Commission may issue a limited broker's license to a person or an entity from another state without regard to whether that state offers similar licensing privileges to residents in North Carolina if the person or entity satisfies the specified criteria.

**North Dakota**

Real Estate Commission  
1110 College Drive, Suite 207  
Bismarck, ND 58501 (701) 328-9749  
<http://www.realestatend.org/>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by including leasing as a covered activity. If a property manager is not engaged in leasing activities he/she does not need to obtain a license to manage properties. Owners who manage their own residential properties and their employees are exempt if their duties are within the regular course of management of the property.

**Ohio**

Division of Real Estate and Professional Licensing  
77 South High Street, 20th Floor  
Columbus, OH 43215-6133  
(614) 466-4100  
<http://www.com.state.oh.us/real/>

*Separate License Required: No      Limited License Offered: No*

Licenses property managers under existing broker/agent laws by including renting and leasing as covered activities. There is an exemption for property owners. Property managers are not exempt from the license law requirements if they do not engage in leasing. No exemption to the law is based on whether the manager is on or off site. Property owners are exempt from being licensed. Other recent activity has required property managers to maintain separate trust account.



**Oklahoma**

Real Estate Commission  
Denver N Davison Building  
1915 North Stiles Avenue, Suite 200  
Oklahoma City, Oklahoma 73105 (405) 521-3387  
<http://www.orec.state.ok.us/>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by including leasing and renting activities as a broker activity. Property owners are generally exempt. On-site residential managers employed by a licensed broker are generally excluded from licensure if they are salaried employees of the owner or broker. However, such on site residential managers are prohibited from negotiating leases.

**Oregon**

Real Estate Agency  
1177 Center Street NE  
Salem, OR 97301-2505  
(503) 378-4170  
<http://www.rea.state.or.us/>

*Separate License Required: No      Limited License Offered: Yes*

Has a separate license for property managers. Holders of broker/agent licenses may also engage in property management; however, a property manager is not required to hold both licenses. Property managers are not exempt from license law requirements if they do not engage in leasing activities. On-site managers are not treated differently than off-site managers. Regular full-time employees of the owner or a real estate broker are exempt from the licensing requirement.

**Pennsylvania**

Real Estate Commission  
Post Office Box 2649  
Harrisburg, PA 17105-2649  
(717) 783-3658  
[http://www.dos.state.pa.us/portal/server.pt/community/state\\_real\\_estate\\_commission/12523](http://www.dos.state.pa.us/portal/server.pt/community/state_real_estate_commission/12523)

*Separate License Required: No      Limited License Offered: No*

Property management is included under the real estate broker license, which includes leasing and renting. Professionals with salesperson licenses are permitted to assist property managers. Employees of owners of multifamily residential property who manage and maintain the property are exempted from licensure provided that they are not authorized by the owner to enter into leases on his or her behalf, to negotiate terms or conditions of occupancy, or to hold money belonging to tenants other than on behalf of the owner. So long as the owner retains the authority to make all such decisions, the employees may show apartments and provide information on rental amounts, building rules and regulations, and leasing determinations.

**Rhode Island**

Department of Business Regulation  
1511 Pontiac Avenue  
Cranston, RI 02920 (401) 462-9532  
<http://www.dbr.state.ri.us/divisions/commlicensing/reaalestate.php>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by including renting and leasing as covered activities. A salesperson may engage in property management activities if they work under a licensed broker. Regular employees of the owner are exempt from licensure when engaging in management activities.

### **South Carolina**

Department of Labor Licensing & Regulation  
Real Estate Commission  
Post Office Box 11847  
Columbia, SC 29211-1847  
(803) 896-4400  
<http://www.llronline.com/pol/rec/>

*Separate License Required: No      Limited License Offered: Yes*

Has a separate, limited license for property managers. A broker/agent license allows individuals to be involved in property management. Property managers must be licensed under a “property manager-in-charge” or “broker-in-charge.” Residential managers are not generally exempt from the requirement. As well, property managers are required to hold the license, even if they do not engage in leasing activities. According to an investigator for South Carolina's Real Estate Commission, an on site manager represents him/herself to be a property manager by engaging in most "normal" activities of an on site manager. By representing themselves to be property managers, these on site managers are not exempt from South Carolina's licensing requirement.

To be licensed as a property manager an individual must complete thirty hours of classroom instruction in property management principles and practices. However, if the property manager has a Juris Doctor, Bachelor of Laws degree, or a baccalaureate degree with a major in real estate from an accredited college or university, then the individual does not need to enroll in classes on property management.

Real estate licensees are required to obtain eight hours of continuing education every two years. The eight hours must include a minimum of two hours of instruction in current federal and state laws affecting brokers and salesmen (core courses).

### **South Dakota**

Real Estate Commission  
221 W. Capitol Avenue, Suite 101  
Pierre, SD 57501 (605) 773-3600  
<http://dlr.sd.gov/bdcomm/realestate/default.aspx>

*Separate License Required: No      Limited License Offered: Yes*

Property managers are licensed by requiring either a brokers license or a separate property management license. The property management license is a restricted broker license. For a property management license, an individual needs to complete 40 hrs of the fundamentals of property management. The primary reason for licensing property managers was to prevent reported abuses of trust funds by unlicensed managers. A licensed broker may engage in property management without obtaining a separate license. However, a licensed salesman may not engage in property management without a property management license. Property managers are exempt from license law requirements if they do not engage in leasing, offers to lease, lease negotiations, or other lease-related activities. On-site managers are eligible for a residential rental agent's license. Property management companies are required to be licensed.

### **Tennessee**

Real Estate Commission  
500 James Robertson Parkway

Davy Crockett Tower, Suite 180  
Nashville, TN 37243-1151  
(615) 741-2273  
<http://tennessee.gov/commerce/boards/trec/>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by including leasing, renting and collecting rents as covered activities. A salesperson may engage in property management activities if they work under a licensed broker. A property manager is defined as a licensee who engages exclusively in leasing and otherwise managing rental properties. Resident managers for brokers or owners and employees of brokers managing apartment buildings, duplexes, or residential complexes are exempt. They must limit their duties to supervision, exhibition of residential units, leasing and/or collection of security deposits and rentals from the property. The resident manager or employee may not negotiate the amounts of security deposits or rentals and may not negotiate any leases on behalf of the broker.

### **Texas**

Real Estate Commission  
Post Office Box 12188  
Austin, TX 78711-2188  
(512) 465-3900  
<http://www.trec.state.tx.us/>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by including renting and leasing as covered activities. The state regulates the activity of selling and leasing real property, not managing property. An individual who is an independent contractor and engages in leasing activity requires a real estate license. An individual who is a salaried employee of the owner of real property does not need a real estate license for managing and/or leasing property owned by his/ her employer. Property management companies must be licensed if they are corporations or limited liability partnerships.

### **Utah**

Division of Real Estate  
Post Office Box 146711  
Salt Lake City, UT 84114-6711  
(801) 530-6747  
<http://realestate.utah.gov/realestate/index.html>

*Separate License Required: No      Limited License Offered: No*

Property managers are licensed under existing broker/agent law by specifically defining management and management functions. An exemption is provided for on site residential managers, who manage in exchange for reduced or free rent. In addition, employees of the owner are also exempt from the licensing requirement if the employee is engaged in commercial property management.

### **Vermont**

Office of Professional Regulation  
Real Estate Commission  
National Life Bldg, North FL2  
Montpelier, VT 05620-3402 (802) 828-1505  
[http://vtprofessionals.org/opr1/real\\_estate/](http://vtprofessionals.org/opr1/real_estate/)

*Separate License Required: No      Limited License Offered: No*

Does not license property management or renting or leasing activities under existing broker or salesperson law.

### **Virginia**

Department of Professional and Occupational Regulation

Real Estate Board

Perimeter Center

Suite 102 (first floor)

9960 Mayland Drive

Richmond VA 23233(804) 367-8500

<http://www.dpor.virginia.gov/Boards/Real-Estate/>

*Separate License Required: No      Limited License Offered: No*

Licenses property managers under the existing broker/agent laws by including renting and leasing as covered activities. On-site managers are not treated differently than off site managers. Rather, any regularly salaried employees of the managing agent who engages in management activities, provided that they limit their activities to showing units, providing factual information about the lease and accepting applications, security deposits and rents, are exempt. They may not negotiate the amounts or terms of the security deposit or lease on behalf of the owner or broker. Employees of owners are exempt as long as their covered activities are performed in the regular course of managing the property.

Anyone who acts as a common interest community manager must be licensed by the state of Virginia. Duties of common interest community managers include, “(i) acting with the authority of an association in its business, legal, financial, or other transactions with association members and nonmembers; (ii) executing the resolutions and decisions of an association or, with the authority of the association, enforcing the rights of the association secured by statute, contract, covenant, rule, or bylaw; (iii) collecting, disbursing, or otherwise exercising dominion or control over money or other property belonging to an association; (iv) preparing budgets, financial statements, or other financial reports for an association; (v) arranging, conducting, or coordinating meetings of an association or the governing body of an association; (vi) negotiating contracts or otherwise coordinating or arranging for services or the purchase of property and goods for or on behalf of an association; or (vii) offering or soliciting to perform any of the aforesaid acts or services on behalf of an association” as stated in the [Virginia code](#).

Community association management companies must also be licensed by the state.

### **Washington**

Department of Licensing

Business and Professions Division, Real Estate

Post Office Box 9021

Olympia, WA 98507-9021

(360) 753-2262

<http://www.dol.wa.gov/business/realestate/realestatecommission.html>

*Separate License Required: No      Limited License Offered: No*

Licenses property management under existing broker/agent laws by including leasing and renting as covered activities. Provides exemptions for on-site residential managers that show apartments. According to Washington's Department of Licensing, to qualify for the on-site residential manager exemption, a person must live on the property being managed and may not manage an adjacent property which has a different owner.

As of June 7, 2012 Common interest community managers are specifically exempt from licensure as a real estate broker except if they encourage the sale, exchange, leasing or renting of a specific property.

### **West Virginia**

Real Estate Commission

300 Capitol Street, Suite 400  
Charleston, WV 25301-2315  
(304) 558-3555  
<http://www.wvrec.org/>

*Separate License Required:* No      *Limited License Offered:* No

Licenses property managers under existing broker/agent laws by including management as a real estate activity, but does not define management in the statute. Provides exemptions only for regular employees of real estate owners whose management, renting, or leasing activities may be incidental to their regular responsibilities, provided that the employee does not receive additional compensation for the act and does not perform the act as a vocation.

### **Wisconsin**

Bureau of Direct Licensing and Real Estate  
Department of Regulation and Licensing  
1400 E. Washington Avenue  
PO Box 8935  
Madison, WI 53708-8935  
(608) 266-5511  
<http://drl.wi.gov/prof/burbiz.htm>

*Separate License Required:* No      *Limited License Offered:* No

Licenses property management under existing broker/agent laws by including leasing and renting as covered activities. Allows custodians, janitors, agents and employees of the owner or manager of a residential building who show residential units to prospective tenants, accept lease applications, and provide information about the rental of units, terms, and conditions of leases to do so without a license.

### **Wyoming**

Real Estate Commission  
2020 Carey Avenue, Suite 100  
Cheyenne, WY 82002  
(307) 777-7141  
<http://realestate.state.wy.us/>

*Separate License Required:* No      *Limited License Offered:* No

Licenses property management under existing broker/agent laws by including leasing, managing and renting as covered activities. A "property manager" is defined as one for a commission manages real estate, including collection of rents, maintenance for the property and accounting of fees received for another. Provides exemptions for on site residential managers that show apartments and take lease applications, but does not allow them to negotiate leases. In addition, owners, owners' immediate family members, and their regular salaried employees are also exempt from Wyoming's licensing requirements.

# Appendix A: Statement of Policy and Suggested Property Management Licensing Language

## IREM Statement of Policy: Property (Real Estate) Management Licensing

Revised April, 2013

### *Background and Objective:*

The Institute wishes to communicate the importance of proper licensure as a means to ensure real estate managers are qualified, accountable, and competent individuals. The Institute also wishes to communicate its concern regarding the creation of any separate class of real estate management licensing, including, but not limited to, separate condominium manager licensing. The Institute also requests the National Association of REALTORS® include IREM leadership in deliberations on real estate management licensing with the Association of Real Estate License Law Officials (ARELLO).

### *IREM Position:*

While the Institute of Real Estate Management acknowledges that the issue of separate real estate management licensing is a state's rights issue and should be left to the discretion of each individual state, IREM, as a national organization, believes that management of residential apartments; condominiums, cooperative and homeowner's associations; office buildings; shopping centers; and all other commercial property by independent contractors involves real estate activities and should require a license.

IREM National is opposed to separate licensing for these real estate management activities and urges all forms of real estate management, including community association management, to be under the jurisdiction of existing state real estate broker and agent (salesman) licensing laws. Specifically exempted from this are on-site managers and other on-site personnel.

Further, the Institute encourages state real estate commissions, or appropriate governmental agencies, to take a stronger interest in professional real estate management as a real estate function in order to protect the public. This should be accomplished by adding real estate management curriculum to the broker and sales courses and real estate management questions to the testing process.

## **Suggested Property Management Licensing Language**

In order for IREM's position on licensing to be effectively implemented, the statute or regulation defining the activities of brokers, association brokers, agents (salesmen), etc., must provide for property management as an activity. This is accomplished by adding property management to the traditional list of broker activities.

*(NOTE: It is likely that the language recommended below will have to be altered slightly to conform to the existing language in each state. Some states already list management as an activity within the statute.)*

**Broker shall mean any person who, for a fee, a commission, or any other valuable consideration or with intent or expectation of receiving the same from another, negotiates or attempts to negotiate the listing, sale, purchase, exchange, rent, lease, property management, or option for any real estate or improvements thereon, or assists in procuring prospects or holds himself or herself out as a referral agent for the purpose of securing prospects for the listing, sale, purchase, exchange, renting, leasing, managing, or optioning of any real estate or collects rents or attempts to collect rents, or holds himself or herself out**

**as engaged in any of the foregoing activities.**

**Depending on how the regulatory language defines agents/salesmen, similar amendment must be made to the agent/salesman definition.**

After property management has been listed as a distinct broker and agent/salesman real estate activity, property management should be defined. In some cases this would be done in administrative rules, although it may also be done in the statutory language. The model language recommended is as follows:

**Property management shall mean and include actions undertaken for another, pursuant to an agreement, in exchange for a fee, commission, compensation, or other valuable consideration, in the marketing; leasing; the physical, administrative, or financial maintenance; and overall management of real property; or supervision of such actions.**

By adding this defining language, property management can easily be addressed within other statutory or administrative rule-making. This is advantageous in separating property management from other broker activities when similar treatment may adversely affect property management. For example, some states have applied rules governing transactional broker accounts to property management operating accounts because no clear distinction between the different accounts or the real estate practices existed in the statutory or administrative language. By outlining property management within the law, it will be possible to address property management in specific rule making, or exempt it from rules governing other broker activities.

***Exemption for On-Site Managers and Other On-Site Personnel***

It is also recommended that a licensing exemption be sought for on-site managers and other on-site personnel. The recommended exemption language is as follows:

**Any person employed or retained by, for, or on behalf of the agent of, or the owner, of any real estate shall be exempt from holding a license, if the person is limited in property management activities to one or more of the following activities:**

- 1. Delivery of a lease application, a lease, or any amendment thereof to any person.**
- 2. Receiving a lease application, lease, or amendment thereof, a security deposit, rental payment, or any related payment for delivery to and made payable to a property manager or owner.**
- 3. Showing a rental unit to any person, as long as the employee is acting under the direct instructions of the broker, including the execution of leases or rental agreements, provided the broker is responsible for the actions of his employees.**
- 4. Providing information about a rental unit, a lease, an application for lease, or the status of a security deposit or the payment of rent to any person.**
- 5. Assisting in the performance of property management functions by carrying out administrative, clerical, or maintenance tasks.**

It should be noted that in addition to the exemption of on-site residential managers, other typical exemptions include owners; attorneys acting on behalf of a client: receivers, bankruptcy trustees, administrators, executors, civil sheriffs; or others who may be acting on behalf of a government authority and managers of agricultural property.

IREM has no formal position on these other exceptions, but generally believes that individuals engaged in real estate activities should be held to the same ethical and professional standards as licensed real estate practitioners. While many states have statutory language dealing with the above mentioned practitioners, such occupations are likely to be of secondary concern to IREM members. Consequently, IREM chapters

may or may not wish to pursue either licensing or exemption requirements for practitioners other than property managers and on-site residential managers.

## **Community Association Management Certification/Licensing**

**Revised April, 2013**

### ***Background and Objective:***

In recent years, there has been interest in creating separate state mandated certification or licensing for community association managers. Florida was the first state to pass such legislation in 1988 and Nevada has enacted a similar statute in July 1999. Illinois was the most recent state to pass similar legislation in 2010. The Community Association Institute (CAI) and the National Board of Certification for Community Association Managers (NBC/CAM), along with local support, have been an instrumental component in efforts to advance state mandated community association manager certification or licensing in other states.

In general, supporters of state mandated community association manager certification or licensing believe that managing community associations is different than real estate management of other properties and states should recognize this by requiring separate certification or licensing for those engaged in community association management. Although specific regulations can vary from state to state, generally the certification or licensing requires an exam, finger print test, certification or licensing fee, renewal fee, and some form of continuing educational requirements.

### ***IREM Position:***

The Institute of Real Estate Management believes that the management of residential apartments, condominiums, cooperatives and homeowner's associations involves real estate activities and should require a license under existing state license laws. IREM National supports professional community association management, but is opposed to a separate state mandated license or certification for community association management and urges all forms of real estate management to be under the jurisdiction of existing state real estate broker and agent licensing laws.

In states where state mandated community association manager certification or licensing already exists, IREM supports placing the ongoing regulation and management of the certification or licensing process under the jurisdiction of the state real estate commission. IREM believes that the state real estate commissions provide the most appropriate means to regulate and monitor the real estate industry and protect the consumer.

The Institute of Real Estate Management, the recognized leader in education and certification of real estate managers, provides educational courses on real estate management, which lead to specific designations awarded to real estate managers, specifically the Certified Property Manager (CPM®) and Accredited Residential Manager (ARM®). IREM encourages state legislators presently, and in the future, contemplating state mandated separate certification or licensure requirements for community association managers to consider the educational courses and designations awarded by IREM as valid criteria worthy of inclusion in the adoption of standards for potential certification or licensure.



## Appendix B: Separate Property Management Licenses and Exemptions

### States requiring no license at all for property management

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<b>Idaho</b>	Property management is unregulated.
<b>Maine</b>	Property managers are not required to be licensed.
<b>Massachusetts</b>	Property managers are not required to be licensed.
<b>Vermont</b>	<b>Broker's license is not required to rent or lease.</b>

### States offering a limited property management license in addition to covering property management functions under broker/agent licenses.

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<b>District of Columbia</b>	Property managers can operate with the separate license. Brokers are exempt from obtaining separate license. Brokers may perform property management and salespersons may perform property management on behalf of the broker.
<b>Illinois</b>	Offers limited leasing agent license for employees of licensed brokers who limit themselves to the leasing of residential real estate.
<b>Montana</b>	
<b>Oregon</b>	
<b>South Carolina</b>	
<b>South Dakota</b>	South Dakota offers limited property managers' licenses and residential rental agent's licenses. Residential rental agent license allows an individual who is associated with a real estate broker or property manager to negotiate the rental or leasing of residential property and to collect rents.

### States exempting on-site managers (resident and non-resident)

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<b>Colorado</b>	Must be salaried employees performing customary duties of an on-site manager. The customary duties of an on-site manager include maintenance, collecting rents for the owner or owner's licensed broker, showing units to a prospective tenant, and quoting a rental price previously established by the owner or the owner's licensed broker. To preserve the above-cited exemptions: (1) the unlicensed on-site manager must account and report directly to the respective owner or owners association or to an entity licensed as an independent real estate broker; and (2) the unlicensed on-site manager must be regularly salaried (salary may include rent value) by the owner of the apartment building or complex or regularly salaried by the owners association for the complex; and (3) the unlicensed on-site manager may not negotiate any of the material items of a lease or rental agreement with a tenant or prospective tenant or conduct any other real estate activity which requires a real estate license.
<b>Connecticut</b>	Must be regular employees of owners and may not engage in covered activities. If the person is simply hiring contractors and vendors to maintain property, no real estate license is required.
<b>Florida</b>	Employees of an owner are exempt if their compensation is in the form of a salary. If the employee receives a commission or is compensated on a transactional basis, that person is required to be licensed.
<b>Hawaii</b>	Custodians or caretakers who lease, offer to lease, rent, or offer to rent are exempt.
<b>Nevada</b>	Must maintain an office on the property and not perform property management for any other property.

**Texas** An individual who is a salaried employee of the owner of real property does not need a real estate license for managing and/or leasing property owned by his or her owner.

**States exempting only on-site managers who reside on the property**

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**Alaska** The resident manager must be associated with a unit at the property, for instance residing at the complex or in a unit of a multi-unit building, and must not manage any other properties for the same landlord.

**Arkansas** Resident manager exemption applies when the manager is engaged in the leasing of real property in connection with his or her employment.

**California** Also applies to employees of resident manager.

**District of Columbia**

**Illinois**

**Iowa**

**Kentucky** Must be a salaried employee.

**Nebraska** A resident manager who resides on the premises and is engaged in leasing the property in connection with his or her employment is exempt.

**Oklahoma** Must be a salaried employee. On-site managers are prohibited from negotiating leases.

**Tennessee** Resident managers are exempt if they limit their duties to supervision, exhibition of residential units, leasing, and or collection of security deposits and rentals from the property.

**Utah** Must manage in exchange for reduced or free rent.

**Washington** On-site residential managers that show apartments are exempt. To qualify for the on-site manager exemption, a person must live on the property being managed and may not manage an adjacent property which has a different owner.

**Wyoming** On-site residential managers that show apartments and take lease applications are exempt. They are not permitted to negotiate leases.

**States exempting regular employees of an owner or a broker**

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<u>State</u>	<u>Owner</u>	<u>Broker</u>	<u>Limitations</u>
<b>Alaska</b>	Yes		Activity must be incidental to the regular course of business when the act relates to management of real estate. The exempted employee may not engage in covered activities as a vocation.
<b>Arizona</b>	Yes	Yes	May perform residential leasing activities on residential income property at no more than one location during the regular workday and may not receive special compensation. Also an exemption for one person who acts as a property manager for one nonresidential property, or two contiguous nonresidential properties that are under common ownership. The person must be employed by the owner or the owner's licensed management agent.
<b>California</b>		Yes	Exempts employees of property management firms retained to manage a residential apartment building, complex, or court performing under the supervision of a broker of record who is an employee of the firm. Exempted employees may engage in a number of property management activities.
<b>Delaware</b>	Yes		Regular employees of the owner of a property who engage in management activities related to that property, which are

<u>State</u>	<u>Owner</u>	<u>Broker</u>	<u>Limitations</u>
			incidental to their positions, are exempt.
<b>Florida</b>	Yes	Yes	Employees must be salaried.
<b>Georgia</b>	Yes	Yes	Must be employed on a full-time basis by the owner or broker and must only perform property management activities for that one owner or broker. Employees of an owner or broker must limit their activities to leasing activities, such as receiving and delivering lease applications and leases, receiving security deposits, rental payments for delivery to and made payable to the broker or owner, showing units under the direct instructions of the broker, and executing leases and rental agreements.
<b>Indiana</b>	Yes	Yes	
<b>Kentucky</b>	Yes	Yes	
<b>Louisiana</b>		Yes	Must be salaried and working for a licensed broker. May perform property management activities except negotiating leases.
<b>Maryland</b>	Yes	Yes	
<b>Michigan</b>	Yes		
<b>Minnesota</b>	Yes	Yes	Employees of a property manager are exempt only if the manager provides management services to only one owner.
<b>Mississippi</b>	Yes		
<b>Missouri</b>	Yes	Yes	Owner may not be engaged in the real estate business as a vocation. Exempted employees must limit activities to: delivering and receiving leases and lease applications; receiving security deposits, rental payments, and related payments payable to and for delivery to a broker or owner; showing rental units under the direct instructions of the broker or owner, including the execution of leases and rental agreements; and assisting with administrative, clerical or maintenance tasks.
<b>Montana</b>	Yes	Yes	
<b>Nebraska</b>	Yes	Yes	Employees of owner may not engage in covered activities in connection with a vocation of selling or leasing any real estate or the improvements thereon.
<b>Nevada</b>	Yes	Yes	Regular salaried employees of owners are exempt, but they may not engage in sales activities. If they receive additional compensation or valuable consideration for rental and leasing activity, they must be licensed.
<b>New Hampshire</b>	Yes		
<b>New Mexico</b>	Yes	Yes	
<b>North Carolina</b>		Yes	Must be a salaried employee. Employee must limit his or her employment to: exhibiting units to prospective tenants, providing lease information, accepting lease applications, completing and executing preprinted form leases, and accepting security deposits and rental payments made payable to the owner or broker. Employees may not negotiate leases or rental agreements.
<b>North Dakota</b>	Yes		
<b>Oklahoma</b>	Yes		
<b>Oregon</b>	Yes	Yes	Regular full-time employees of the owner or a real estate broker are exempt if they perform limited property management

<u>State</u>	<u>Owner</u>	<u>Broker</u>	<u>Limitations</u>
<b>Pennsylvania</b>	Yes		activities. Employees of owners may not be authorized by the owner to enter into leases on the owner's behalf, to negotiate terms and conditions of occupancy or to hold money belonging to tenants other than on behalf of the owner. As long as the owner retains the authority to make all such decisions, the employees may show apartments and provide information on rental amounts, building rules and regulations and leasing determinations.
<b>Rhode Island</b>	Yes		
<b>South Dakota</b>	Yes		Regular employees of owners are generally exempt as long as their activities are performed in the regular course of the management of the property.  Custodians, janitors, or employees of owners or managers of residential buildings may exhibit residential units, accept lease applications and furnish prospective tenants information on the rental of the unit, terms and conditions of leases and similar information.
<b>Tennessee</b>	Yes		Duties must be limited to supervision, exhibition of residential units, leasing and/or collection of security deposits and rentals from such property. The resident manager or employee shall not negotiate the amounts of security deposits or rentals and shall not negotiate any leases on behalf of the broker.
<b>Texas</b>	Yes		
<b>Utah</b>		Yes	Employee must be engaged in commercial property management.
<b>Virginia</b>	Yes	Yes	Actions undertaken by employees of owners must be in the regular course of, or incident to, the management of the property. Actions of employees of brokers must be limited to showing units, providing factual information about a lease and accepting lease applications, security deposits and rentals made payable to the owner or broker. The employee may not negotiate the amounts of security deposits or rentals or negotiate any leases on behalf of the owner or broker.
<b>West Virginia</b>	Yes		Regular employees of an owner are exempted if they perform covered acts when the acts are incidental to the management of real estate and the employee does not receive additional compensation and does not perform the act as a vocation.
<b>Wisconsin</b>	Yes	Yes	Must limit activities to showing residential units, accepting applications for leases and furnishing prospective tenants with information relative to the rental of the unit, terms and conditions of leases, and similar information.
<b>Wyoming</b>	Yes		