

ARIZONA DEPARTMENT OF REAL ESTATE (ADRE) EMPLOYING BROKER CHANGE FORM

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

ALL REQUIRED DOCUMENTATION MUST BE SUBMITTED FOR PROCESSING TO EMAIL broker.specialist@azre.gov for new Entities, Designated Broker (DB) changes, and any broker inquiries, and must receive final approval from ADRE PRIOR to changes, severances, or transfers of any license or licensee record. Employing Brokers are businesses, such as Sole Proprietorships, Corporations, Limited Liability Companies and Partnerships.

1. **ENTITY/EMPLOYING BROKER NAME RESERVATION REQUEST (LI-213)** form - The Legal Entity Name and Doing Business As (DBA) name, if any, **MUST be approved by the Arizona Department of Real Estate (ADRE)**, even if the Corporation Commission or Secretary of State has approved the name. There is a possibility a name may not be available by ADRE. If approved, the name will be reserved for 90 calendar days. If denied, another name request (LI-213) must be submitted for approval. Limit reservations to one Legal and one DBA. Multiple requests are not accepted.
2. **SEVERING LICENSEE'S – DO NOT** sever yourself, transfer, or sever any agents or close any offices until the final approval of the entire new Entity/Employing Broker Licensure (LI-212) application has received its' final approval from ADRE.
3. **LEGAL PRESENCE** – As of October 2008 **ALL LICENSEE'S** must provide Proof of Legal Presence. Acceptable documents as outlined by the legislation are online at www.azre.gov. Submissions may be made on Licensee's personal page at www.azre.gov.
4. **BROKER MANAGEMENT CLINIC** - Designated Brokers or incoming DB must have attended a Broker Management Clinic within the past 23 months in order to qualify as a DB. Submit copy along with application form.
5. **TITLE COMPANY OR TRUST ACCOUNTS** – Designated Broker should have a Trust Account set up and account information to include on submittal to ADRE before processing. If not using a Trust Account, please mark Title Company.
6. **FEDERAL TAX ID NUMBER OR EIN NUMBER** – EIN Number should be on record with ADRE.

BUSINESS LEGAL NAME OR DBA NAME ADD OR CHANGE REQUEST

- Name change of either Business Legal Name or DBA Name, if any, must be approved by ADRE prior to filing an Employing Broker Change (LI-201) request. Complete and submit the **Entity/Employing Broker Name Approval Request (LI-213)** by email/scan to namereservations@azre.gov. Upon review, an approved name may be "RESERVED" with ADRE for 90 days. **Allow 2 weeks for research and process name requests. Requests processed on a first come first served basis. ADRE cannot expedite.**
- Complete the **Employing Broker Change Form (LI-201)** for the **Change Being Made**. Attach a copy of the name approval and an employee roster for every office affected by the name change. (Print employee roster from the Public Database, visit our website at www.azre.gov.) Search the Public Database by DB's name, broker's license number, Entity Name, or entity license number.
- **Changing Legal Name:** If original articles are not amended to reflect name – and original articles are available – this is not a name change but an original entity and must be processed as such. Name changes are processed as follows.
 - A Corporation or an LLC (*not a PC/PLLC*), submits a copy of the Articles of Amendments from the Arizona Corporation Commission which are stamped "FILED" showing the change made. A "RECEIVED" stamped copy will only be accepted with an expedited receipt directly from the Arizona Corporation Commission and may be held until the change has been made on the ACC website.
 - For a Partnership, submit a copy of the addendum / amendment to the Partnership Agreement showing the change.

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

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

- Submit Unlawful License Activity Statement Form LI-555.
- Complete Employing Broker Change (LI-201) form as DB (of entity) – Change Being Made – To Active Status.
- Leave **Change From** side blank, unless resigning as Sole Proprietor or DB from another entity, which requires a completed **Change From** side with business information from departing entity.
- Complete **Change To** side with current business information with changing to information.
- Provide proof of attendance at a Broker Management Clinic within the preceding 23 months.
- Provide new resolution signed by all members, managers, or officers as described below.

ACTIVE STATUS DESIGNATED BROKER CHANGING TO INACTIVE STATUS

- Submit a letter of resignation as the designated broker or sole proprietor of departing entity. Once submitted be aware that the license will be placed in inactive status until further action is taken to change the status of employment. Associate broker's can hire online from their personal page.
- Sever all employees on Salesperson/Associate Broker Change (LI-202) form, (fees do apply), or by using the Online Licensing System. All Associate Brokers and Salesperson's can hire online from their personal page.

EMPLOYING BROKER CHANGE FORM (LI-201)

Continued

ASSOCIATE BROKER STATUS CHANGING TO DESIGNATED BROKER (DB) STATUS

A Corporation, LLC, Partnership, or Foreign Entity

Branch Manager - Submit a Salesperson/Associate Broker Change Form (LI-202) paper severance, signed by licensee's current DB to sever as an associate broker and remove branch manager status.

If not a branch manager, sever online from licensee's personal page.

- Complete Employing Broker Change (LI-201) form as the new designated broker of an original entity or Designated Broker Change if changing DB.
- Provide proof of attendance at a Broker Management Clinic within the preceding 23 months.
- Provide new resolution (described below).

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

ASSOCIATE BROKER STATUS CHANGING TO SOLE-PROPRIETORSHIP (SE)

- Submit Entity/Employing Broker Name Reservation Request (LI-213) form if using a DBA
- Complete Employing Broker Change (LI-201) form - Change Being Made – To Sole-Proprietorship – Leave **Change From** side blank. Complete **Change To** side with current business information you are moving to.
- **Branch Manager status Associate Brokers** must submit a Salesperson / Associate Broker Change Form (LI-202) for severance with the current DB signature. All other associate brokers can use the Online Licensing System.
- Provide proof of attendance at a Broker Management Clinic within the preceding 23 months.

EMPLOYING BROKER BUSINESS ADDRESS CHANGE

- Complete Employing Broker Change (LI-201) form - Change Being Made – Business Address or Mailing Address Change. Complete **Change From** side with old business address information. Complete **Change To** side with updated information only.
- Attach current employee list or roster from the public database.

DESIGNATED BROKER (DB) CHANGING TO SOLE PROPRIETORSHIP (SE) STATUS

- Submit a letter of resignation as current designated broker of employing entity.
- Complete Employing Broker Change (LI-201) form - Change Being Made – From Sole Proprietor. Complete **Change From** side with business information departing from. Complete **Change To** side with sole proprietorship information.
- Submit Salesperson /Associate Broker Change (LI-202) form to sever any or all **branch manager** status agents from departing entity. All other agents may use the Online Licensing System to sever.
- If a DBA name is to be used, the DBA name must be approved by ADRE before submittal of any documentation. Submit Entity/Employing Broker Name Reservation Request (LI-213) form (LI-213) scanning to namereservations@azre.gov. Allow 2 weeks for research and processing.
- Submit a copy of Broker Management Clinic. This certificate is only valid for 24 months and must be valid upon submittal.

EMPLOYING BROKER/ENTITY'S CHANGE OF DESIGNATED BROKER

- Submit a letter of resignation from the current DB of the entity OR include a company resolution removing the current DB.
- Submit Employing Broker Change (LI-201) form completed by the incoming DB. Change Being Made - DB Change. Complete the **Changing From** side with business information incoming DB is departing from. If incoming DB is inactive, leave blank.
- Submit a Resolution appointing incoming DB.
- Submit a copy of Broker Management Clinic. This certificate is only valid for 24 months and must be valid upon submittal.
- **Possible fee** for realignment of branch offices depending on expiration date of incoming DB.
- If resigning designated broker is to become an associate broker, use a Salesperson/Associate Broker Change Form (LI-202) or request to be hired using the Online System to return to active status.

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

- A non-resident broker who maintains the principal office outside Arizona shall:
 1. Place monies with an escrow company licensed and located in Arizona, or a trust account in Arizona for monies received from transactions in Arizona.
 2. Maintain copies of records in Arizona for all Arizona transactions handled by the broker.
 3. Provide a letter appointing a Custodian of Records stating name, address and phone number of the person, (residing in Arizona, such as a statutory agent or attorney, who will have possession of said records). This information must be kept current and on file with the Department.
- A non-resident broker who employs any licensee within the state shall:
 1. Immediately establish a branch office in Arizona,
 2. Appoint a branch manager and
 3. Provide a statement describing how the licensee shall be supervised, pursuant to R4-28-302 (K).
See Branch Office Application Form and Salesperson / Associate Broker Change (LI-202) form for requirements.
- Complete an Employing Broker Change (LI-201) form .



ARIZONA DEPARTMENT OF REAL ESTATE (ADRE)

www.azre.gov
 2910 N 44TH STREET STE-100
 PHOENIX, AZ 85018
Broker.specialist@azre.gov

LI-201

Janice K. Brewer
 Governor

Judy Lowe
 Commissioner

EMPLOYING BROKER CHANGE FORM (LI-201)

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

SELECT TYPE OF CHANGE OR CHANGES BEING MADE

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

SELECT BUSINESS TYPE

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

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

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

X

PRINT DESIGNATED BROKER NAME SIGNATURE REQUIRED DATE
 (If Sole Proprietor, in signing this form, I declare I am the ONLY person who owns, has exclusive title or legal right to the business.)

FOR ADRE USE ONLY			
EFFECTIVE DATE	DATE STAMP		RECEIPT
INPUT DATE			
TIMEFRAME	TF 1	TF 2	
PROCESSED			

RESOLUTION REQUIRED

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

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

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

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

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

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

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