

MINNESOTA RULES 1985

2067

REAL ESTATE BROKER LICENSING AND EDUCATION

CHAPTER 2800 DEPARTMENT OF COMMERCE REAL ESTATE BROKER LICENSING AND EDUCATION

- 2800.0100 DEFINITIONS
2800.0200 SCOPE OF APPLICATION.
2800.0300 COMPUTATION OF TIME.
EXAMINATION AND LICENSING
2800.1100 PAYMENT OF FEES.
2800.1200 PASSING GRADE FOR EXAMINATION.
2800.1300 LICENSE.
2800.1400 TEMPORARY BROKER'S PERMIT.
2800.1500 COMPLIANCE WITH UNCLAIMED PROPERTY ACT.
2800.1600 NOTICE TO THE COMMISSIONER.
2800.1700 AUTOMATIC TRANSFER OF SALESPERSON'S LICENSE.
2800.1750 REAL ESTATE SALESPERSON AUTOMATIC TRANSFER.
2800.1751 INDIVIDUAL APPOINTMENT OF ATTORNEY FOR SERVICE OF PROCESS.
2800.1800 WITHDRAWAL OF LICENSE OR APPLICATION.
2800.1900 FAILURE TO RENEW LICENSE
2800.2000 REVOCATIONS
2800.2100 COURSE COMPLETION CERTIFICATES FOR SALESPERSON'S LICENSE.
2800.2150 COURSE COMPLETION CERTIFICATE.
2800.2175 COURSE II AND III RECORD OF COMPLETION.
BROKER PRACTICE
2800.3100 TRUST FUNDS.
2800.3200 TRUST ACCOUNT RECORDS.
2800.3300 NONDEPOSITABLE ITEMS.
2800.3400 LOAN BROKERS: STANDARDS OF CONDUCT.
2800.3500 PENALTY FOR NONCOMPLIANCE WITH STANDARDS OF CONDUCT.
2800.3600 RESPONSIBILITIES OF BROKERS.
2800.3700 DISCLOSURE OF LICENSEE AS AGENT OF BROKER.
2800.3800 LISTING AGREEMENTS.
2800.3900 GUARANTEED SALE PROGRAMS.
2800.4000 DISCLOSURE REQUIREMENTS
2800.4100 PROHIBITION ON GUARANTEEING FUTURE PROFITS.
2800.4200 NEGOTIATIONS.
2800.4300 COMPENSATION.
2800.4400 ACCESS TO GOVERNING STATUTES AND RULES.
2800.4500 RENTAL SERVICES.
2800.4600 FRAUDULENT, DECEPTIVE, AND DISHONEST PRACTICES.
INITIAL REAL ESTATE EDUCATION
2800.5100 NINETY-HOUR INITIAL EDUCATION
2800.5200 SALESPERSON'S EXAMINATION
2800.5300 APPLICATION FOR SALESPERSON'S LICENSE.
2800.5400 POSTLICENSING EDUCATION COURSE.
2800.5500 ALTERNATIVE MEANS OF COMPLETING INITIAL EDUCATION.
2800.5600 LIMITATIONS ON COURSE SUBSTITUTIONS.
2800.5700 LIMITATION ON USE TOWARD CONTINUING EDUCATION COURSES.
2800.5800 TEXTBOOKS REQUIRED.
2800.5900 COMPLETION OF INITIAL EDUCATION.
2800.6000 COURSE I HOURS.
2800.6100 COURSE I CURRICULUM.
2800.6200 COURSE II HOURS.
2800.6300 COURSE II CURRICULUM
2800.6400 COURSE III HOURS.
2800.6500 COURSE III CURRICULUM.
2800.6600 COURSE III OBJECTIVES.
CONTINUING EDUCATION COURSES
2800.6800 CONTINUING EDUCATION.
GENERAL COURSE AND CONTINUING EDUCATION REQUIREMENTS
2800.7100 GENERAL REAL ESTATE EDUCATION REQUIREMENTS.
2800.7150 APPLICATION FOR COURSE APPROVAL FOR COURSES I, II, AND III.
2800.7175 APPLICATION FOR COURSE APPROVAL FOR CONTINUING EDUCATION.
2800.7200 COURSE APPROVAL.
2800.7250 NOTICE OF SUBSEQUENT OFFERINGS OF CONTINUING EDUCATION COURSES.
2800.7300 COURSES OPEN TO ALL.
2800.7400 COURSE COORDINATOR.
2800.7450 APPLICATION FOR COORDINATOR APPROVAL.
2800.7500 INSTRUCTORS.
2800.7550 APPLICATION FOR INSTRUCTOR APPROVAL FOR COURSES I, II, III.
2800.7575 APPLICATION FOR INSTRUCTOR APPROVAL FOR CONTINUING EDUCATION.
2800.7600 PROHIBITED PRACTICES FOR COORDINATORS AND INSTRUCTORS.
2800.7700 EXTENSIONS
2800.7800 WAIVERS.
2800.7900 FEES.
2800.8000 FACILITIES.
2800.8100 CONFLICT OF INTEREST.
2800.8200 SUPPLEMENTARY MATERIALS.
2800.8300 ADVERTISING COURSES.
2800.8400 NOTICE TO STUDENTS
2800.8500 AUDITS
2800.8600 DISCIPLINARY ACTION.
2800.8700 REPORTS TO COMMISSIONER.
2800.8750 CONTINUING EDUCATION COURSE VERIFICATION.
FORMS
2800.9905 RATING SCALE FOR INSTRUCTORS
2800.9910 FORM OF COURSE COMPLETION CERTIFICATE.
2800.9915 FORM OF APPLICATION FOR COORDINATOR APPROVAL.
2800.9920 FORM OF APPLICATION FOR COURSE APPROVAL.
2800.9925 FORM OF APPLICATION FOR INSTRUCTOR APPROVAL.
2800.9930 FORM FOR RECORD OF COURSE COMPLETION.
2800.9935 FORM FOR CONTINUING EDUCATION COURSE APPROVAL.
2800.9940 FORM FOR APPLICATION FOR CONTINUING EDUCATION INSTRUCTOR APPROVAL.
2800.9945 FORM OF NOTICE OF SUBSEQUENT CONTINUING EDUCATION COURSE OFFERINGS.
2800.9950 FORM OF CONTINUING EDUCATION COURSE VERIFICATION
2800.9955 FORM OF REAL ESTATE SALESPERSON AUTOMATIC TRANSFER.

MINNESOTA RULES 1985

2800.0100 REAL ESTATE BROKER LICENSING AND EDUCATION 2068

2800.0100 DEFINITIONS.

Subpart 1. **Scope.** For the purposes of parts 2800.0100 to 2800.1700, 2800.1800 to 2800.2100, 2800.3100 to 2800.7100, 2800.7200, 2800.7300, 2800.7400, 2800.7500, 2800.7600 to 2800.8700, and 2800.9905, the terms defined in this part have the meanings given them.

Subp. 2. **Commissioner.** "Commissioner" means the commissioner of commerce.

Subp. 3. **Licensee.** "Licensee" means a person duly licensed under Minnesota Statutes, chapter 82.

Subp. 4. **Loan broker.** "Loan broker" means a licensed real estate broker or salesperson who, for another and for a commission, fee, or other valuable consideration or with the intention or expectation of receiving the same, directly or indirectly negotiates or offers or attempts to negotiate a loan secured or to be secured by a mortgage or other encumbrance on real estate, or represents himself or herself or otherwise holds himself or herself out as a licensed real estate broker or salesperson, either in connection with any transaction in which he or she directly or indirectly negotiates or offers or attempts to negotiate a loan, or in connection with the conduct of his or her ordinary business activities as a loan broker.

"Loan broker" does not include a licensed real estate broker or salesperson who, in the course of representing a purchaser or seller of real estate, incidentally assists the purchaser or seller in obtaining financing for the real property in question if the licensee does not receive a separate commission, fee, or other valuable consideration for this service.

Subp. 5. **Overpayment.** "Overpayment" means any payment of moneys in excess of a statutory fee or for a license for which a person does not qualify.

Subp. 6. **Override clause.** "Override clause" means a provision in a listing agreement or similar instrument allowing the broker to receive a commission when, after the listing agreement has expired, the property is sold to persons with whom a broker or salesperson had negotiated or exhibited the property prior to the expiration of the listing agreement.

Subp. 7. **Person.** "Person" means a natural person, firm, institution, partnership, corporation, or association.

Subp. 8. **Primary broker.** "Primary broker" means the broker on whose behalf salespersons are licensed to act pursuant to Minnesota Statutes, section 82.20, subdivision 6. In the case of a corporation licensed as a broker, "primary broker" means each officer of the corporation who is individually licensed to act as a broker for the corporation. In the case of a partnership, "primary broker" means each partner licensed to act as a broker for the partnership.

Subp. 9. **Property.** "Property" means real property or other property within the scope of Minnesota Statutes, chapter 82, unless the context clearly indicates otherwise.

Subp. 10. **Protective list.** "Protective list" means the written list of names and addresses of prospective purchasers with whom a licensee has negotiated the sale or rental of the property or to whom a licensee has exhibited the property prior to the expiration of the listing agreement. For the purposes of this subpart, "property" means the property that is the subject of the listing agreement in question.

Subp. 11. **Real estate broker; broker.** "Real estate broker" or "broker" as set forth in Minnesota Statutes, section 82.17, subdivision 4, clause (b) shall not apply to the originating, making, processing, selling, or servicing of a loan in connection with his or her ordinary business activities by a mortgagee, lender, or servicer approved or certified by the secretary of housing and urban

MINNESOTA RULES 1985

2069 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.1100

development, or approved or certified by the administrator of veterans affairs, or approved or certified by the administrator of the farmers home administration, or approved or certified by the federal home loan mortgage corporation, or approved or certified by the federal national mortgage association.

Subp. 12. **Rental service.** "Rental service" means a person who gathers and catalogs information concerning apartments or other units of real estate available for rent, and who, for a fee, provides information intended to meet the individual needs of specifically identified lessors or prospective lessees. This term shall not apply to newspapers or other periodicals with a general circulation or individual listing contracts between an owner or lessor of property and a licensee.

Subp. 13. **School.** "School" means a person offering or providing real estate education.

Statutory Authority: *MS s 82.28*

2800.0200 SCOPE OF APPLICATION.

Prior rules exclusively govern all suits, actions, prosecutions, or proceedings that are pending or may be initiated on the basis of facts or circumstances occurring before the effective date of these rules. Judicial review of all administrative orders issued prior to the effective date of these rules as to which review proceedings have not been instituted by the effective date of these rules is governed by prior rules.

Statutory Authority: *MS s 82.28*

2800.0300 COMPUTATION OF TIME.

Subpart 1. **Days.** Where the performance or doing of any act, duty, matter, payment, or thing is ordered or directed, and the period of time or duration for the performance or doing thereof is prescribed and fixed by law, rule or order, such time, except as otherwise provided in subpart 2, shall be computed so as to exclude the first and include the last day of any such prescribed or fixed period or duration of time. When the last day of such period falls on Sunday or on any day made a legal holiday, by the laws of this state or of the United States, such day shall be omitted from the computation.

Subp. 2. **Months.** When the lapse of a number of months before or after a certain day is required by law, rule or order, such number of months shall be computed by counting the months from such day, excluding the calendar month in which such day occurs, and including the day of the month in the last month so counted having the same numerical order as the day of the month from which the computation is made, unless there be not so many days in the last month so counted, in which case the period computed shall expire with the last day of the month so counted.

Statutory Authority: *MS s 82.28*

EXAMINATION AND LICENSING

2800.1100 PAYMENT OF FEES.

Subpart 1. **Cash not accepted.** All fees shall be paid by check, draft, or other negotiable or nonnegotiable instrument or order of withdrawal that is drawn against funds held by a financial institution. Cash will not be accepted.

Subp. 2. **Overpayment of fees.** An overpayment of a fee paid pursuant to Minnesota Statutes, chapter 82 shall be refunded, within a reasonable time after a letter requesting the refund is received by the commissioner and signed by the person making the overpayment.

Refunds shall not be given for other than overpayment of fees. A request for a refund of an overpayment must be received by the commissioner within six months of the date of deposit or it will be forfeited.

Statutory Authority: *MS s 82.28*

MINNESOTA RULES 1985

2800.1200 PASSING GRADE FOR EXAMINATION.

A passing grade for a salesperson's and broker's examination shall be a score of 75 percent or higher on the uniform portion and a score of 75 percent or higher on the state portion of the examination.

The commissioner shall not accept the scores of a person who has cheated on an examination. Cheating on a real estate examination shall be grounds for denying an application for a broker's or salesperson's license.

Statutory Authority: *MS s 82.28*

2800.1300 LICENSE.

Subpart 1. Application for broker's license. After successful completion of the real estate broker's examination, an individual shall have one year from the date of the examination to apply for a broker's license, unless the individual is a salesperson who remains continuously active in the real estate field as a licensee. Failure to apply for the broker's license or to remain continuously active in the real estate field will necessitate a reexamination.

An individual who holds a broker's license in his or her own name or for or on behalf of a corporation or partnership shall be issued an additional broker's license only upon demonstrating that the additional license is necessary in order to serve a legitimate business purpose; that he or she will be capable of supervising all salespersons over whom he or she will have supervisory responsibility or, in the alternative, that he or she will have no supervisory responsibilities under the additional license; and that he or she has a substantial ownership interest in each corporation or partnership for or on whose behalf he or she holds or will hold a broker's license.

The requirement of a substantial ownership interest shall not apply where the broker seeking the additional license or licenses is an officer of a corporation for or on whose behalf he or she already holds a license and he or she is applying for the additional license or licenses for or on behalf of an affiliated corporation or corporations of which he or she is also an officer. For the purpose of this part, "affiliated corporation" means a corporation which is directly or indirectly controlled by the same persons as the corporation for or on whose behalf he or she is already licensed to act.

For the purposes of this part, a legitimate business purpose includes engaging in a different and specialized area of real estate or maintaining an existing business name.

Subp. 2. Cancellation of salesperson's or broker's license. A salesperson's or broker's license that has been canceled for failure of a licensee to complete postlicensing education requirements must be returned to the commissioner by the licensee's broker within ten days of receipt of notice of cancellation. The license shall be reinstated without reexamination by completing the required instruction, filing an application, and paying the fee for a salesperson's or broker's license within one year of the cancellation date.

Subp. 3. Waivers. The commissioner may waive the real estate licensing experience requirement for the broker's examination.

A. An applicant for a waiver shall provide evidence of:

(1) successful completion of a minimum of 90 quarter credits or 270 classroom hours of real estate-related studies;

(2) a minimum of five consecutive years of practical experience in real estate-related areas; or

(3) successful completion of 30 credits or 90 classroom hours and three consecutive years of practical experience in real estate-related areas.

B. A request for a waiver shall be submitted to the commissioner in writing and be accompanied by documents necessary to evidence qualification as set forth in item A.

MINNESOTA RULES 1985

2071 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.1700

C. The waiver will lapse if the applicant fails to successfully complete the broker's examination within one year from the date of the granting of the waiver.

Statutory Authority: *MS s 82.28*

2800.1400 TEMPORARY BROKER'S PERMIT.

In the event of death or incapacity of a broker, the commissioner may issue a 45-day temporary permit to an individual who has had a minimum of two years actual experience as a licensed real estate salesperson and who is otherwise reasonably qualified to act as a broker. Upon application prior to its expiration, the 45-day temporary permit shall be renewed once by the commissioner if the applicant demonstrates that he or she has made a good faith effort to obtain a broker's license within the preceding 45 days and an extension of time will not harm the public interest.

Only those salespersons licensed to the deceased or incapacitated broker at the time of death or incapacity may conduct business for or on behalf of the person to whom the temporary broker's license was issued.

Statutory Authority: *MS s 82.28*

2800.1500 COMPLIANCE WITH UNCLAIMED PROPERTY ACT.

Upon the initial application for a real estate broker's license and upon each annual application for renewal, the applicant or broker shall be required to inform the commissioner that he has complied with the requirements set forth in Minnesota Statutes, chapter 345 relating to unclaimed property.

Statutory Authority: *MS s 82.28*

2800.1600 NOTICE TO THE COMMISSIONER.

Subpart 1. **Mandatory.** Licensees shall notify the commissioner of the facts in subparts 2 to 5.

Subp. 2. **Change of application information.** The commissioner shall be notified in writing of a change of information contained in the license application on file with the commissioner within ten days of the change.

Subp. 3. **Civil judgment.** The commissioner shall be notified in writing within ten days of a final adverse decision or order of a court, whether or not the decision or order is appealed, regarding any proceeding in which the licensee was named as a defendant, and which alleged fraud, misrepresentation, or the conversion of funds, if the final adverse decision relates to the allegations of fraud, misrepresentation, or the conversion of funds.

Subp. 4. **Disciplinary action.** The commissioner shall be notified in writing within ten days of the suspension or revocation of a licensee's real estate or other occupational license issued by this state or another jurisdiction.

Subp. 5. **Criminal offense.** The commissioner shall be notified in writing within ten days if a licensee is charged with, adjudged guilty of, or enters a plea of guilty or nolo contendere to a charge of any felony, or of any gross misdemeanor alleging fraud, misrepresentation, conversion of funds or a similar violation of any real estate licensing law.

Statutory Authority: *MS s 82.28*

2800.1700 AUTOMATIC TRANSFER OF SALESPERSON'S LICENSE.

Subpart 1. **Scope.** A salesperson may utilize the automatic license transfer provisions of Laws of Minnesota 1982, chapter 478, section 1, subdivision 9, clause (b) if the salesperson commences his or her association with the broker to whom he or she is transferring, as evidenced by the dates of the signatures of both brokers on the form in part 2800.9955, within five days after terminating his or her association with the broker from whom he or she is transferring, provided the salesperson's educational requirements are not past due.

MINNESOTA RULES 1985

2800.1700 REAL ESTATE BROKER LICENSING AND EDUCATION 2072

A salesperson may not utilize the automatic license transfer provisions of Laws of Minnesota 1982, chapter 478, section 1, subdivision 9, clause (b) if he or she has failed to notify the commissioner within ten days of any change of information contained in his or her license application on file with the commissioner or of a civil judgment, disciplinary action, or criminal offense, which notice is required pursuant to part 2800.1600.

Subp. 2. Procedure. An application for automatic transfer shall be made only on the form in part 2800.9955. The transfer is ineffective if the form is not completed in its entirety.

The form in part 2800.9955 shall be accompanied by a \$10 transfer fee, and the license renewal fee, if applicable, plus an additional \$10 if the salesperson holds a subdivided land license. Cash will not be accepted. If the licensee holds a subdivided land license it must be transferred at the same time as the salesperson's license. In order for the transfer of the subdivided land license to be effective the broker to whom the salesperson is transferring must also hold a subdivided land license.

The signature on the form in part 2800.9955 of the broker from whom the salesperson is transferring must predate the signature of the broker to whom the salesperson is transferring. The salesperson is unlicensed for the period of time between the times and dates of both signatures. The broker from whom the salesperson is transferring shall sign and date the transfer application upon the request of the salesperson and shall destroy the salesperson's license immediately.

Subp. 3. Effective date. Effective date:

A. The transfer is effective when the broker to whom the salesperson is transferring signs and dates the transfer application form in part 2800.9955, provided the commissioner receives the form and fee within 72 hours after the date and time of the new broker's signature, either by certified mail or personal delivery to the commissioner's office. In the event of a delay in mail delivery, an application postmarked within 24 hours of the date of the signature of the new broker shall be deemed timely received.

B. The transfer is ineffective if the fee is paid by means of a check, draft, or other negotiable or nonnegotiable instrument or order of withdrawal drawn on an account with insufficient funds.

C. The salesperson shall retain the certified mail return receipt, if the transfer application is delivered to the commissioner by mail, retain a photocopy of the executed transfer application, and provide a photocopy of the executed transfer application to the broker from whom he or she is transferring.

Statutory Authority: *MS s 82.20 subd 9*

2800.1750 REAL ESTATE SALESPERSON AUTOMATIC TRANSFER.

The real estate salesperson automatic transfer shall be in the form set forth in part 2800.9955.

Statutory Authority: *MS s 82.20 subd 9*

2800.1751 INDIVIDUAL APPOINTMENT OF ATTORNEY FOR SERVICE OF PROCESS.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
CENTRAL LICENSING SECTION -- REAL ESTATE
5th Floor, Metro Square Bldg.
Seventh and Robert Streets
St. Paul, Minnesota 55101

INDIVIDUAL APPOINTMENT OF ATTORNEY FOR SERVICE OF
PROCESS

MINNESOTA RULES 1985

2073 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.1900

KNOW ALL PERSONS BY THESE PRESENTS:

That in compliance with the Laws of the State of Minnesota, _____ a non-resident, does hereby appoint the Commissioner of Securities of the State of Minnesota, his/her successor or successors as his/her true and lawful attorney upon whom may be served all legal process in any action or proceeding in which he/she may be a party and which relates to or involves any transaction covered by Chapter 82, Minnesota Statutes, and does hereby expressly consent and agree that service upon such attorney shall be as valid and binding as if due and personal service had been made upon him/her and that such appointment shall be irrevocable.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 19____.

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 19____, personally appeared before me, a notary public in and for said County and State, _____, to me known to be the person described in and who executed the foregoing instrument and who, being by me first sworn, acknowledged that he/she executed the same as his/her free act and deed.

Notary Public, _____ County _____

(NOTARIAL SEAL) My Commission expires _____

Statutory Authority: MS s 82.28

2800.1800 WITHDRAWAL OF LICENSE OR APPLICATION.

A licensee or license applicant may at any time file with the commissioner a request to withdraw from the status of licensee or to withdraw a pending license application. Withdrawal from the status of licensee or withdrawal of the license application becomes effective 30 days after receipt of a request to withdraw or within a shorter period the commissioner determines unless a revocation, suspension, or denial proceeding is pending when the request to withdraw is filed or a proceeding to revoke, suspend, deny, or to impose conditions upon the withdrawal is instituted within 30 days after the request to withdraw is filed. If a proceeding is pending or instituted, withdrawal becomes effective at the time and upon the conditions the commissioner by order determines. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the commissioner may institute a revocation or suspension proceeding within one year after withdrawal became effective and enter a revocation or suspension order as of the last date on which the license was in effect.

Statutory Authority: MS s 82.28

2800.1900 FAILURE TO RENEW LICENSE.

If a license lapses or becomes ineffective due to the licensee's failure to file a timely renewal application or otherwise, the commissioner may institute a revocation or suspension proceeding within one year after the license was last effective and enter a revocation or suspension order as of the last date on which

MINNESOTA RULES 1985

2800.1900 REAL ESTATE BROKER LICENSING AND EDUCATION 2074

the license was in effect.

Statutory Authority: *MS s 82.28*

2800.2000 REVOCATIONS.

If the commissioner finds that any licensee or applicant is no longer in existence or has ceased to do business as a broker or salesperson or is subject to an adjudication of mental incompetence or to the control of a committee, conservator, or guardian, or cannot be located after reasonable search, the commissioner may by order revoke the license or deny the application.

Statutory Authority: *MS s 82.28*

2800.2100 COURSE COMPLETION CERTIFICATES FOR SALESPERSON'S LICENSE.

Applicants for a salesperson's license shall submit to the commissioner, along with their application for licensure, a copy of the course completion certificate in part 2800.9910 for course I, and for courses II and III if completed prior to being licensed.

Students are responsible for maintaining copies of course completion certificates.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.2150 COURSE COMPLETION CERTIFICATE.

The real estate education course completion certificate shall be in the form in part 2800.9910.

Statutory Authority: *MS s 82.28*

2800.2175 COURSE II AND III RECORD OF COMPLETION.

The real estate education courses II and III record of completion shall be in the form in part 2800.9930.

Statutory Authority: *MS s 82.28*

BROKER PRACTICE

2800.3100 TRUST FUNDS.

Subpart 1. **Listing broker.** Unless otherwise agreed upon in writing by the parties to a transaction, the broker with whom trust funds are to be deposited in satisfaction of Minnesota Statutes, section 82.24, subdivision 1 shall be the listing broker.

Subp. 2. **Maintenance.** Trust funds shall be maintained in a trust account until disbursement is made in accordance with the terms of the applicable agreements and proper accounting is made to the parties entitled to an accounting.

Disbursement shall be made within a reasonable time following the consummation or termination of a transaction if the applicable agreements are silent as to the time of disbursement.

Subp. 3. **Consent to place in special account.** Trust funds may be placed by the broker in a special account, which may be an interest-bearing account or certificate of deposit if the buyer and the seller consent in writing to the special account and to the disposition of the trust funds, including any interest thereon.

Subp. 4. **Licensee as principal.** Funds which would constitute trust funds if received by a licensee acting as an agent must, if received by a licensee acting as principal, be placed in a trust account unless a written agreement signed by all parties to the transaction specifies a different disposition of the funds. The written agreement shall state that the funds would otherwise be placed in a real estate trust account.

Statutory Authority: *MS s 82.28*

MINNESOTA RULES 1985

2075 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.3300

2800.3200 TRUST ACCOUNT RECORDS.

Trust account records:

A. Every broker shall keep a record of all trust funds received, including notes, savings certificates, uncashed or uncollected checks, or other similar instruments. Said records shall set forth:

- (1) date funds received;
- (2) from whom received;
- (3) amount received;
- (4) with respect to funds deposited in a trust account the date of said deposit;
- (5) with respect to funds previously deposited in a trust account, the check number or date of related disbursements; and
- (6) a monthly balance of the trust account.

Each broker shall maintain a formal trust cash receipts journal and a formal cash disbursement journal, or similar records, in accordance with generally accepted accounting principles. All records and funds shall be subject to inspection by the commissioner or his agent at any time.

B. Each broker shall keep a separate record for each beneficiary or transaction, accounting for all funds therein which have been deposited in the brokers trust bank account. These records shall set forth information sufficient to identify the transaction and the parties thereto. At a minimum, each such record shall set forth:

- (1) the date funds are deposited;
- (2) the amount deposited;
- (3) the date of each related disbursement;
- (4) the check number of each related disbursement;
- (5) the amount of each related disbursement; and
- (6) a description of each disbursement.

C. A check received from the potential buyer shall be deposited into the listing broker's trust account not later than the next business day after delivery of the check to the broker except that the check may be held by the listing broker until acceptance or rejection of the offer if:

(1) the check by its terms is not negotiable by the broker or if the potential buyer has given written instructions that the check shall not be deposited nor cashed until acceptance or shall be immediately returned if the offer is rejected; and

(2) the potential seller is informed that the check is being so held before or at the time the offer is presented to him for acceptance.

If the offer is accepted, the check shall be deposited in a neutral escrow depository or the trust fund account of the listing broker not later than the next business day following acceptance of the offer unless said broker has received written authorization from all parties to the transaction to continue to hold the check. If the offer is rejected, the check shall be returned to the potential buyer not later than the next business day after rejection.

Statutory Authority: *MS s 82.24 subd 5*

2800.3300 NONDEPOSITABLE ITEMS.

In the event earnest money or other down payments are received by the broker or salesman in the form of a nondeposable item such as a note, bond, stock certificate, treasury bill or any other item of value taken in lieu of cash, a receipt shall be issued to the buyer for the value thereof and such items shall be deposited immediately with an authorized escrow agent.

In the event the broker acts as the escrow agent, he shall obtain written authority from the buyer and seller to hold such items in escrow. In all cases the parties shall be advised of the details relative to the nondeposable item,

MINNESOTA RULES 1985

2800.3300 REAL ESTATE BROKER LICENSING AND EDUCATION 2076

including the nature of the item, the amount, and in whose custody such item is being held. The fact that such an item is being held by the broker shall be duly recorded in the brokers trust account records.

Statutory Authority: *MS s 82.28*

2800.3400 LOAN BROKERS; STANDARDS OF CONDUCT.

Subpart 1. **Compliance.** Loan brokers shall comply with the requirements of subparts 2 to 7.

Subp. 2. **Contract provisions.** A loan broker shall enter into a written contract with each customer and shall provide a copy of the written contract to each customer at or before the time of receipt of any fee or valuable consideration paid for loan brokerage services. The written contract shall:

A. identify the escrow account into which the fees or consideration will be deposited;

B. set forth the circumstances under which the loan broker will be entitled to disbursement from the escrow account;

C. set forth the circumstances under which the customer will be entitled to a refund of all or part of the fee;

D. specifically describe the services to be provided by the loan broker and the dates by which the services will be performed;

E. state the maximum rate of interest to be charged on any loan obtained;

F. contain a statement which notifies the customer of his or her rights to cancel the contract pursuant to subpart 3;

G. disclose, with respect to the 12-month period ending ten business days prior to the date of the contract in question, the percentage of the loan broker's customers for whom loans have actually been funded as a result of the loan broker's services (this disclosure need not be made for any period prior to the effective date of this rule); and

H. disclose the cancellation rights and procedures set forth in subpart 3.

Subp. 3. **Cancellation.** Any customer of a loan broker who pays a fee prior to the time a loan is actually funded shall have an unconditional right to rescind the contract for loan brokerage services at any time until midnight of the third business day after the day on which the contract is signed. Cancellation is evidenced by the customer giving written notice of cancellation to the loan broker at the address stated in the contract. Notice of cancellation, if given by mail, is effective upon deposit in a mailbox properly addressed to the loan broker with postage prepaid. Notice of cancellation need not take a particular form and is sufficient if it indicates by any form of written expression the intention of the customer not to be bound by the contract. No act of a customer of a loan broker shall be effective to waive the right to rescind as provided in this subpart.

Subp. 4. **Escrow account.** The loan broker shall deposit in an escrow account within 48 hours all fees received prior to the time a loan is actually funded. The escrow account shall be in a bank located within the state of Minnesota and shall be controlled by an unaffiliated accountant, lawyer, or bank officer or employee.

Subp. 5. **Records.** The loan broker shall maintain a separate record of all fees received for services performed or to be performed as a loan broker. Each record shall set forth the date funds are received; the person from whom the funds are received; the amount received; the date of deposit in the escrow account; the account number; the date the funds are disbursed and the check number of the disbursement; and a description of each disbursement and the justification for the disbursement.

MINNESOTA RULES 1985

2077 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.3600

Subp. 6. **Monthly statement.** The loan broker shall provide to each customer at least monthly a detailed written accounting of all disbursements of the customer's funds from the trust account.

Subp. 7. **Disclosure of lenders.** The loan broker shall provide to each customer at the expiration of the contract a list of the lenders or loan sources to whom loan applications were submitted on behalf of the customer.

Statutory Authority: *MS s 82.27 subd 2*

2800.3500 PENALTY FOR NONCOMPLIANCE WITH STANDARDS OF CONDUCT.

The methods, acts, or practices set forth in parts 2800.1600, and 2800.3600 to 2800.4400 are standards of conduct governing the activities of real estate brokers and salespersons under Minnesota Statutes, chapter 82. Failure to comply with these standards shall constitute grounds for license denial, suspension, or revocation, or for censure of the licensee.

Statutory Authority: *MS s 82.27 subd 2*

2800.3600 RESPONSIBILITIES OF BROKERS.

Subpart 1. **Supervision of personnel.** Brokers shall adequately supervise the activities of their salespersons and employees. Supervision includes the on-going monitoring of listing agreements, purchase agreements, other real estate-related documents which are prepared or drafted by the broker's salespersons or employees or which are otherwise received by the broker's office, and the review of all trust account books and records. If an individual broker maintains more than one place of business, each place of business shall be under the broker's direction and supervision. If a partnership or corporate broker maintains more than one place of business, each place of business shall be under the direction and supervision of an individual broker licensed to act on behalf of the partnership or corporation.

The primary broker shall maintain records specifying the name of each broker responsible for the direction and supervision of each place of business. If an individual broker, who may be the primary broker, is responsible for supervising more than one place of business, the primary broker shall, upon written request of the commissioner, file a written statement specifying the procedures which have been established to assure that all salespersons and employees are adequately supervised. Designation of another broker to supervise a place of business does not relieve the primary broker of the ultimate responsibility for the actions of licensees.

Subp. 2. **Preparation and safekeeping of documents.** Brokers shall be responsible for the preparation, custody, safety, and accuracy of all real estate contracts, documents and records, even though another person may be assigned these duties by the broker.

Subp. 3. **Documentation and resolution of complaints.** Brokers shall investigate and attempt to resolve complaints made regarding the practices of any individual licensed to them and shall maintain, with respect to each individual licensed to them, a complaint file containing all material relating to any complaints received in writing for a period of three years.

Subp. 4. **Disclosure of listed property information.** No broker shall allow any unlicensed person to disclose any information regarding a listed property except to state the address of the property and whether it is available for sale or lease.

Statutory Authority: *MS s 82.27 subd 2*

MINNESOTA RULES 1985

2800.3700 REAL ESTATE BROKER LICENSING AND EDUCATION 2078

2800.3700 DISCLOSURE OF LICENSEE AS AGENT OF BROKER.

A salesperson shall only conduct business under the licensed name of and on behalf of the broker to whom he or she is licensed. An individual broker shall only conduct business under his or her licensed name. A broker licensed to a corporation or partnership shall only conduct business under the licensed corporate or partnership name. A licensee shall affirmatively disclose prior to the negotiation or consummation of any transaction the licensed name of the broker under whom he or she is authorized to conduct business in accordance with this part.

Statutory Authority: *MS s 82.28*

2800.3800 LISTING AGREEMENTS.

Subpart 1. Requirement. Licensees shall obtain a signed listing agreement, or other written authorization, from the owner of real property or from another person authorized to offer the property for sale or lease prior to advertising to the general public that the real property is available for sale or lease.

For the purposes of this part "advertising" shall include placing a sign on the owner's property which indicates that the property is being offered for sale or lease.

Subp. 2. Contents. All listing agreements shall be in writing and shall include:

- A. a definite expiration date;
- B. a description of the real property involved;
- C. the list price and any terms required by the seller;
- D. the amount of any compensation or commission or the basis for computing the commission;
- E. a clear statement explaining the events or conditions that will entitle a broker to a commission;
- F. information regarding an override clause, if applicable, including a statement to the effect that the override clause will not be effective unless the licensee supplies the seller with a protective list within 72 hours after the expiration of the listing agreement; and

G. The following notice in not less than ten point boldface type immediately preceding any provision of the listing agreement relating to compensation of the licensee:

"NOTICE: THE COMMISSION RATE FOR THE SALE, LEASE, RENTAL, OR MANAGEMENT OF REAL PROPERTY SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND ITS CLIENT."

Subp. 3. Prohibited provisions. Licensees shall not include in a listing agreement a holdover clause, automatic extension, or any similar provision, or an override clause the length of which is more than six months after the expiration of the listing agreement.

Subp. 4. Override clauses. Licensees shall not seek to enforce an override clause unless a protective list has been furnished to the seller within 72 hours after the expiration of the listing agreement.

Subp. 5. Protective lists. A broker or salesperson has the burden of demonstrating that each person on the protective list has, during the period of the listing agreement, either made an affirmative showing of interest in the property by responding to an advertisement or by contacting the broker or salesperson involved or has been physically shown the property by the broker or salesperson. For the purpose of this part the mere mailing or other distribution by a licensee of literature setting forth information about the property in question does not, of itself, constitute an affirmative showing of interest in the property on the part of a subsequent purchaser.

MINNESOTA RULES 1985

2079 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.4000

The protective list shall contain the following notice in boldface type:

“IF YOU RELIST WITH ANOTHER BROKER WITHIN THE OVERRIDE PERIOD AND THEN SELL YOUR PROPERTY TO ANYONE WHOSE NAME APPEARS ON THIS LIST, YOU COULD BE LIABLE FOR FULL COMMISSIONS TO BOTH BROKERS. IF THIS NOTICE IS NOT FULLY UNDERSTOOD, SEEK COMPETENT ADVICE.”

The protective list need not contain this notice if the written listing agreement specifically states that after its expiration the seller will not be obligated to pay the licensee a fee or commission if the seller has executed another valid listing agreement pursuant to which the seller is obligated to pay a fee or commission to another licensee for the sale, lease, or exchange of the real property in question.

Statutory Authority: *MS s 82.28*

2800.3900 GUARANTEED SALE PROGRAMS.

If a broker advertises or offers a guaranteed sale program, or other program whereby the broker undertakes to purchase real property in the event he or she is unable to effectuate a sale to a third party within a specified period of time, a written disclosure that sets forth clearly and completely the general terms and conditions under which the broker agrees to purchase the property and the disposition of any profit at the time of resale by the broker must be provided to the seller prior to the execution of a listing agreement.

Statutory Authority: *MS s 82.28*

2800.4000 DISCLOSURE REQUIREMENTS.

Subpart 1. Advertising. Each licensee shall identify himself or herself as either a broker or an agent in any advertising for the purchase, sale, lease, exchange, mortgaging, transfer, or other disposition of real property, whether the advertising pertains to his or her own property or the property of others.

Subp. 2. Financial interests of licensee. Prior to the negotiation or consummation of any transaction, a licensee shall affirmatively disclose to the owner of real property that the licensee is a real estate broker or agent, and in what capacity the licensee is acting, if the licensee directly, or indirectly through a third party, purchases for himself or herself or acquires, or intends to acquire, any interest in, or any option to purchase, the owner's property.

Subp. 3. Material facts. Licensees shall disclose to any prospective purchaser all material facts pertaining to the property, of which the licensee is aware, which could adversely and significantly affect an ordinary purchaser's use or enjoyment of the property, or any intended use of the property of which the licensee is aware.

Subp. 4. Nonperformance of any party. If a licensee is put on notice by any party to a real estate transaction that the party will not perform in accordance with the terms of a purchase agreement or other similar written agreement to convey real estate, the licensee shall immediately disclose the fact of that party's intent not to perform to the other party or parties to the transaction. Whenever reasonably possible, the licensee shall inform the party who will not perform of the licensee's obligation to disclose this fact to the other party or parties to the transaction prior to making the disclosure. The obligation required by this part shall not apply to notice of a party's inability to keep or fulfill any contingency to which the real estate transaction has been made subject.

Statutory Authority: *MS s 82.28*

MINNESOTA RULES 1985

2800.4100 REAL ESTATE BROKER LICENSING AND EDUCATION 2080

2800.4100 PROHIBITION ON GUARANTEEING FUTURE PROFITS.

Licensees shall not, with respect to the sale or lease of real property, guarantee or affirmatively encourage another person to guarantee future profits or earnings that may result from the purchase or lease of the real property in question unless the guarantee and the assumptions upon which it is based are fully disclosed and contained in the contract, purchase agreement, or other instrument of sale or lease.

Statutory Authority: *MS s 82.28*

2800.4200 NEGOTIATIONS.

Subpart 1. **Written offers.** All written offers to purchase or lease shall be promptly submitted in writing to the seller or lessor.

Subp. 2. **Nondisclosure of terms of offer.** A licensee shall not disclose the terms of an offer to another prospective buyer or the buyer's agent prior to the presentation of the offer to the seller.

Subp. 3. **Closing costs.** Licensees shall disclose to a buyer or a seller at or before the time an offer is written or presented that the buyer or seller may be required to pay certain closing costs, which may effectively reduce the proceeds from the sale or increase the cash outlay at closing.

Subp. 4. **Required documents.** Licensees shall furnish to the parties to the transaction at the time the documents are signed or become available a true and accurate copy of listing agreements, earnest money receipts, purchase agreements, contracts for deed, option agreements, closing statements, truth-in-housing forms, energy audits, and any other record, instrument, or document that is material to the transaction and that is in the licensee's possession.

Subp. 5. **Closing statement.** The listing broker or his or her designee shall deliver to the seller at the time of closing a complete and detailed closing statement setting forth all of the receipts and disbursements handled by the broker for the seller. The listing broker shall also deliver to the buyer at the time of closing a complete and detailed statement setting forth the disposition of all moneys received in the transaction from the buyer.

Subp. 6. **Exclusive agency agreements.** A licensee shall not negotiate the sale, exchange, lease, or listing of any real property directly with the owner or lessor knowing that the owner or lessor has executed a written contract granting exclusive agency in connection with the property to another real estate broker. The licensee shall inquire of the owner or lessor whether such a contract exists.

Subp. 7. **Prohibition against interference with contractual relationships of others.** Licensees shall not induce any party to a contract of sale or lease, option, or exclusive listing agreement, to breach the contract, option, or agreement.

Subp. 8. **Prohibition against discouraging use of attorney.** Licensees shall not discourage prospective parties to a real estate transaction from seeking the services of an attorney.

Statutory Authority: *MS s 82.28*

2800.4300 COMPENSATION.

Subpart 1. **Licensee to receive only from broker.** A licensee shall not accept a commission or other valuable consideration for the performance of any acts requiring a real estate license from any person except the real estate broker to whom he is licensed or to whom he was licensed at the time of the transaction.

Subp. 2. **Undisclosed compensation.** A licensee shall not accept, give, or charge any undisclosed commission or realize any direct or indirect remuneration that inures to the benefit of the licensee on an expenditure made for a principal.

MINNESOTA RULES 1985

2081 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.4600

Subp. 3. **Limitation on broker when transaction not completed.** When the owner fails or is unable to consummate a real estate transaction, through no fault of the purchaser, the listing broker may not claim any portion of any trust funds deposited with the broker by the purchaser, absent a separate agreement with the purchaser.

Statutory Authority: *MS s 82.28*

2800.4400 ACCESS TO GOVERNING STATUTES AND RULES.

Every real estate office and branch office shall have a current copy of Minnesota Statutes, chapters 82 and 83 and the rules adopted thereunder, available for the use of licensees.

Statutory Authority: *MS s 82.28*

2800.4500 RENTAL SERVICES.

Subpart 1. **License.** A rental service shall obtain a real estate broker's license prior to engaging in business or holding itself out as being engaged in business. No person shall act as a real estate salesperson on behalf of a rental service without first obtaining a real estate salesperson's license on behalf of the rental service.

Subp. 2. **Dissemination of unit information.** A rental service shall not provide information regarding a rental unit without the express authority of the owner of the unit.

Subp. 3. **Availability of unit.** A rental service shall not represent a unit as currently available unless its availability has been verified within 72 hours preceding the representation.

Subp. 4. **Advertising.** A rental service shall not advertise in a manner that is misleading with regard to fees charged, services provided, the availability of rental units, or rental terms or conditions.

Statutory Authority: *MS s 82.28*

2800.4600 FRAUDULENT, DECEPTIVE, AND DISHONEST PRACTICES.

Subpart 1. **Prohibitions.** For the purposes of Minnesota Statutes, section 82.27, subdivision 1, clause (b), the following acts and practices constitute fraudulent, deceptive, or dishonest practices:

A. act on behalf of more than one party to a transaction without the knowledge and consent of all parties;

B. act in the dual capacity of licensee and undisclosed principal in any transaction;

C. receive funds while acting as principal which funds would constitute trust funds if received by a licensee acting as an agent, unless the funds are placed in a trust account. Funds need not be placed in a trust account if a written agreement signed by all parties to the transaction specifies a different disposition of the funds, in accordance with part 2800.3100, subpart 4;

D. violate any state or federal law concerning discrimination intended to protect the rights of purchasers or renters of real estate;

E. make a material misstatement in an application for a license or in any information furnished to the commissioner;

F. procure or attempt to procure a real estate license for himself or herself or any person by fraud, misrepresentation, or deceit;

G. represent membership in any real-estate related organization in which the licensee is not a member;

H. advertise in any manner that is misleading or inaccurate with respect to properties, terms, values, policies, or services conducted by the licensee;

MINNESOTA RULES 1985

2800.4600 REAL ESTATE BROKER LICENSING AND EDUCATION 2082

I. make any material misrepresentation or permit or allow another to make any material misrepresentation;

J. make any false or misleading statements, or permit or allow another to make any false or misleading statements, of a character likely to influence, persuade, or induce the consummation of a transaction contemplated by Minnesota Statutes, chapter 82;

K. fail within a reasonable time to account for or to remit any money coming into the licensee's possession which belongs to another;

L. commingle with his or her own money or property trust funds or any other money or property of another held by the licensee;

M. demand from a seller a commission to which the licensee is not entitled, knowing that he or she is not entitled thereto;

N. pay or give money or goods of value to an unlicensed person for any assistance or information relating to the procurement by a licensee of a listing of a property or of a prospective buyer of a property (this item does not apply to money or goods paid or given to the parties to the transaction);

O. fail to maintain a trust account at all times, as provided by law;

P. engage, with respect to the offer, sale, or rental of real estate, in an anticompetitive activity.

Subp. 2. **Determining violation.** A licensee shall be deemed to have violated this part if he has been found to have violated the Minnesota Antitrust Law of 1971, Minnesota Statutes, sections 325D.49 to 325D.66 by a final decision or order of a court of competent jurisdiction.

Subp. 3. **Commissioner's authority.** Nothing in this part limits the authority of the commissioner to take actions against a licensee for fraudulent, deceptive, or dishonest practices not specifically described in this part.

Statutory Authority: *MS s 82.27 subd 2*

INITIAL REAL ESTATE EDUCATION

2800.5100 NINETY-HOUR INITIAL EDUCATION.

An approved 90-hour course of initial education shall consist of three 30-classroom-hour courses to be designated as course I, course II, and course III. Pursuant to Minnesota Statutes, section 82.22, subdivision 6, each applicant for a salesperson's license or salesperson is required to complete all courses successfully. Courses I, II, and III must be taken in sequence and may not be taken concurrently.

Statutory Authority: *MS s 82.28*

2800.5200 SALESPERSON'S EXAMINATION.

Applicants must successfully complete the salesperson's examination within one year after the successful completion of course I. After this date, credit for course I will expire and successful completion of the first 30-hour course must be repeated before taking the salesperson's examination.

An exception will be made for students pursuing a full-time course of study in either a two-year or four-year real estate education program. The burden of demonstrating full-time status is on the student. Applicants must successfully complete the salesperson's examination within one year after the successful completion of the two-year or four-year course of study.

Statutory Authority: *MS s 82.28*

MINNESOTA RULES 1985

2083 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.5900

2800.5300 APPLICATION FOR SALESPERSON'S LICENSE.

Applicants must apply for a salesperson's license within one year after successful completion of the licensing examination. Applicants who fail to apply for a license within the one-year period must retake course I and successfully complete the examination.

Statutory Authority: *MS s 82.28*

2800.5400 POSTLICENSING EDUCATION COURSE.

Courses II and III must be completed within one year after obtaining a salesperson's license.

Statutory Authority: *MS s 82.28*

2800.5500 ALTERNATIVE MEANS OF COMPLETING INITIAL EDUCATION.

Applicants may elect to complete course II and course III prior to examination or licensure and shall receive credit for those courses successfully completed if the applicant is otherwise in compliance with the time limitations set forth in parts 2800.5200 and 2800.5300.

Statutory Authority: *MS s 82.28*

2800.5600 LIMITATIONS ON COURSE SUBSTITUTIONS.

No course may be substituted for course I. Written requests for substitutions for courses II and III shall be granted if the request is submitted no later than six months prior to the date upon which that education is due to be completed, if:

A. the salesperson is engaged exclusively in a specialized field, such as property management, and the course proposed to be substituted for course II or III provides the student with at least 30 hours of instruction in that field; or

B. the salesperson demonstrates successful completion of a course in another jurisdiction that is substantially similar to course II or III.

Statutory Authority: *MS s 82.28*

2800.5700 LIMITATION ON USE TOWARD CONTINUING EDUCATION COURSES.

Courses I and II may not be taken for credit toward a licensee's continuing education requirements.

Any course III may be taken for credit toward a licensee's continuing education requirements if the licensee has not previously received credit for that course or a substantially similar course.

Statutory Authority: *MS s 82.28*

2800.5800 TEXTBOOKS REQUIRED.

Courses I, II, and III shall require the use of a textbook. The textbook shall cover substantially the subject matter of the course. The textbook shall be current and may be disallowed by the commissioner upon demonstration that it contains material errors.

Statutory Authority: *MS s 82.28*

2800.5900 COMPLETION OF INITIAL EDUCATION.

Successful completion of courses I, II and III includes full-time classroom attendance throughout the course, completion of required assignments or reading materials if applicable, and passage of an examination designed by the school that is sufficiently comprehensive to measure the student's knowledge of all aspects of the course.

Statutory Authority: *MS s 82.28*

MINNESOTA RULES 1985

2800.6000 REAL ESTATE BROKER LICENSING AND EDUCATION 2084

2800.6000 COURSE I HOURS.

Course I shall incorporate the following number of hours for each of the following topics, for a total of 30 hours:

- A. introduction to real estate, one hour;
- B. real estate licensing law (Minnesota Statutes, chapters 82 and 83), four hours;
- C. law of agency, four hours;
- D. law of contracts, five hours;
- E. real estate financing, six hours;
- F. types and classifications of property, three hours;
- G. examination of title, one hour; and
- H. title closing, six hours.

Statutory Authority: *MS s 82.28*

2800.6100 COURSE I CURRICULUM.

The course I curriculum shall be based on the following outline:

- I. Introduction to real estate
 - A. Overview of course I
 - 1. Course goals
 - 2. Attendance
 - 3. Examination policy
 - 4. Course and instructor evaluation
 - B. Scope of industry
 - C. Areas of specialization
 - D. Industry terminology
 - E. Professional standards and ethics
 - F. Broker-salesperson relationship
- II. Real estate license law, (Minnesota Statutes, chapter 82), Subdivided Land Sales Practices Act (Minnesota Statutes, chapter 83) and securities act (Minnesota Statutes, chapter 80A)
 - A. Real estate license law
 - 1. Purpose of law and rules
 - 2. Administration of law
 - 3. Substantive provisions of law
 - a. Trust accounts
 - b. Prohibition of fraudulent, deceptive or dishonest practices
 - c. Standards of conduct
 - d. Federal and state antidiscrimination laws
 - e. Licensing requirements
 - f. Education requirements
 - g. Real estate education, research and recovery fund
 - B. Subdivided land sales practices act
 - 1. Scope of law
 - 2. Registration and public disclosure provisions
 - 3. Licensing requirements
 - C. Securities act; potential applicability to real estate
- III. Law of agency
 - A. Agent and agency
 - 1. Broker-principal relationship
 - 2. Termination of relationships
 - 3. Dual agency
 - 4. Cooperative broker

MINNESOTA RULES 1985

2085 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.6100

- B. Duties of broker and agent
 - 1. Accountability
 - 2. Fiduciary responsibility to seller
 - 3. Full disclosure
 - C. Listing contract
 - 1. Types
 - 2. Essential elements of a listing agreement
 - 3. Multiple listing
 - 4. Commissions earned
 - D. Responsibilities to buyer
- IV. Contracts
- A. Definition
 - 1. Types
 - 2. Essentials
 - 3. Breach; remedies
 - B. Purchase agreements
 - 1. Examination and analysis
 - C. Other types of contracts
 - 1. Contract for deed
 - 2. Options
 - D. Cancellation of contract
 - E. Property description
 - 1. Lot and block number
 - 2. Metes and bounds
 - 3. Government survey
 - 4. Datum planes
 - 5. Measurement and mathematics
- V. Real estate financing
- A. Note as evidence of indebtedness
 - B. Sources of mortgage funds
 - 1. Lenders
 - 2. Secondary mortgage market
 - 3. Owner financing
 - C. Mortgage
 - 1. Legal elements
 - 2. Theories
 - a. Lien
 - b. Title
 - 3. Mortgage clauses
 - a. Covenants
 - 1. Indebtedness
 - 2. Insurance
 - 3. Removal
 - 4. Taxes
 - 5. Acceleration clause
 - 6. Warranty of title
 - b. Special clauses
 - 1. Attorney's fees
 - 2. Receiver
 - 3. Sale in one parcel
 - 4. Trust

MINNESOTA RULES 1985

5. Prepayment penalties
 6. Subordination
 7. Due-on-sale clause
 8. Condemnation clause
 9. Defeasance clause
 10. Good repair
- D. Types of mortgages
1. FHA
 2. VA
 3. Conventional/insured conventional, types currently available
 4. Other
 5. Points
- E. Mortgage assumption and nonalienation
- F. Contract for deed financing
- G. Foreclosure (default)
1. Mortgage
 2. Contract for deed
- H. Buyer qualifications
1. Credit information
 2. Standards for approval
- I. Usury law
- VI. Types of property
- A. Classification
1. Real property
 2. Personal property
 3. Fixtures
- B. Title
1. Private grant
 2. Public grant
 3. Political relations
 - a. Eminent domain
 - b. Escheat
 4. Public policy
 - a. Adverse possession
 - b. Prescription
 - c. License
- C. Estates and interests in land
1. Estates
 2. Fee simple
 3. Life estate (waste)
 4. Remainders and reversions
 5. Other
- D. Concurrent ownership
1. Joint tenancy
 2. Tenancy in common
 3. Other
- E. Easements
- VII. Examination of title
- A. History
 - B. Examination of abstract
 - C. Title insurance

MINNESOTA RULES 1985

2087 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.6300

1. Owners
2. Purchasers
3. Mortgage
- D. Title registration (Torrens)
- VIII. Title closing
 - A. Review of topics I-VII
 - B. Closing checklist
 - C. Methods of closing
 1. Closing through escrow
 2. Other
 - D. Delivery of deed
 - E. Responsibilities of buyer and seller
 1. Taxes and liens
 2. Reduction certificate (assumption statement)
 3. Insurance
 4. Leases
 5. Bill of sale
 6. Title search
 7. Survey
 8. Leases
 9. Certificate of occupancy
 10. Violations (ordinances)
 11. Apportionments
 - F. Adjournment of closing (settlement)
 - G. Real estate settlement procedures act
 1. Lender requirements
 2. Truth-in-lending (regulation Z)
 3. Settlement (closing)
 - H. Broker's responsibilities

Statutory Authority: *MS s 82.28*

2800.6200 COURSE II HOURS.

Course II shall incorporate the following number of hours for each of the following topics, for a total of 30 hours:

- A. deeds, three hours;
- B. search and examination of title, one hour;
- C. residential appraisal, six hours;
- D. residential construction, two hours;
- E. land development and use, three hours;
- F. condominiums, cooperatives, planned unit developments, and manufactured housing, three hours;
- G. taxation, four hours;
- H. investment and appraisal, four hours;
- I. real property management, two hours; and
- J. leases and leasing, two hours.

Statutory Authority: *MS s 82.28*

2800.6300 COURSE II CURRICULUM.

The course II curriculum shall be based on the following outline:

- I. Deeds
 - A. Parts of a deed
 1. Parties

MINNESOTA RULES 1985

2. Consideration
3. Words of conveyance
4. Property description
5. Appurtenances
6. Habendum (estate)
7. Execution and acknowledgement
8. Seal
- B. Delivery
- C. Recording
- D. Types of deeds
 1. Quitclaim
 2. Warranty deed and covenants
 3. Special warranty deed
 4. Other
- E. Covenants running with the land
- F. Validity
- II. Search and examination of title
 - A. Object of search
 1. Chain of title
 2. Recording acts
 - B. Grantor-grantee system of indexing
 1. Running the chain of title
 2. Grantors
 3. Mortgages
 4. Lis pendens
 5. Judgments
 6. Liens
 7. Taxes
 8. Probate court
 9. Special assessments
 - C. Lot and block indexing
- III. Residential appraisal
 - A. Values
 1. Economic concepts
 2. Value and price
 3. Cost
 4. Elements of value
 - a. Physical
 - b. Economic
 - c. Social
 - d. Legal
 5. Characteristics of value
 - a. Utility
 - b. Scarcity, demand
 - c. Transferability
 6. Principles of value
 - a. Substitution
 - b. Conformity
 - c. Anticipation
 - B. Fundamental considerations
 1. Population trends

MINNESOTA RULES 1985

2089 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.6300

2. Neighborhood characteristics
3. Building description
4. Site evaluation
5. Market value
- C. Highest and best use
 1. Factors of production
 2. Diminishing returns
 3. Over and under improvement
- D. Approaches to value
 1. Cost
 2. Market
 3. Income
- E. Appraisal report
- IV. Residential construction
 - A. Government regulations
 - B. Architectural styles
 - C. Plans and specifications
 1. Foundations
 2. Exterior
 3. Interior
 - D. Disclosure
- V. Land development and use
 - A. Public land use control
 1. City planning
 - a. Enabling acts
 - b. Planning commissions
 - c. Capital improvements
 - d. Master planning
 - e. Future scope of planning
 2. Zoning
 - a. Purpose
 - b. Form of ordinances
 - c. Exclusionary zoning
 - d. Board of appeals
 - e. Nonconforming use
 - f. Variance
 - g. Green acres law
 3. Building codes
 4. Environmental impact statements
 5. Subdivision regulations
 - B. Prepurchase
 1. Analysis of market
 2. Site selection
 3. Land costs
 4. Drainage, soil tests, topography
 5. Utilities
 6. Road costs
 7. Transportation, schools, shopping
 8. Covenants
 9. Government
 10. Financing

MINNESOTA RULES 1985

2800.6300 REAL ESTATE BROKER LICENSING AND EDUCATION 2090

- a. Purchase, option or escrow
 - b. Rolling option
 - C. Planning
 - 1. Subdivision
 - 2. Planned urban development
 - 3. Filing the plat
 - 4. Consumerism and environmental protection
 - 5. Subdivided land sales practices act
 - 6. State and local land use regulations
 - D. Urban development and revitalization
- VI. Condominiums, cooperatives, planned unit developments and manufactured housing
 - A. Cluster housing
 - 1. History
 - 2. Economics
 - a. Land use efficiency
 - b. Amenities
 - B. Condominiums
 - 1. Rights and obligations
 - a. Declaration
 - (1) Bylaws
 - (2) Rules and regulations
 - (3) Assessments and collections
 - (4) Homeowners' associations
 - b. Map
 - c. Conveyance
 - d. Management agreement
 - (1) Duties
 - (2) Enforcement of rules
 - (3) Collection of fees and dues
 - 2. Financing
 - 3. Time share ownership
 - 4. Minnesota Condominium Act
 - 5. Conversions
 - a. Physical changes
 - b. Feasibility
 - c. Tenant rights
 - d. Moratoriums
 - C. Cooperatives
 - 1. Cooperator (individual shareholder)
 - 2. Refinancing methods
 - 3. Owner's association
 - 4. Tax treatment (the 80 percent rule)
 - 5. Other forms
 - D. Planned unit developments
 - 1. Planned land uses
 - 2. Organization
 - E. Manufactured housing
 - 1. Definition
 - 2. Considerations
 - a. Site

MINNESOTA RULES 1985

2091 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.6300

- b. Value
 - c. Safety
 - 3. Financing
- VII. Taxation
 - A. Real property taxes
 - 1. Tax assessment levies
 - a. City
 - b. County
 - c. School district
 - 2. Obtaining tax information
 - 3. Appraisal and classification
 - 4. Homestead status
 - B. Residential property
 - 1. Basis
 - 2. Adjustment of basis
 - 3. Installment plan sales
 - 4. Tax deferral on sale and repurchase
 - 5. Tax implications of residential ownership
 - C. Income producing property
 - 1. Long term capital gain and loss
 - 2. Offsetting gains and losses
 - 3. Classification
 - D. Depreciation on real property
 - E. Residential rehabilitation expense
- VIII. Investment and appraisal
 - A. Risks
 - 1. Purchasing power
 - 2. Market
 - 3. Interest rates
 - 4. Earning power
 - 5. Liquidity
 - B. Leverage
 - C. Cash and tax flow
 - D. Investment analysis
 - 1. Effective gross income
 - 2. Margin
 - 3. Return on investment
 - E. Real estate syndication
 - 1. General partners
 - 2. Limited partners
 - 3. Regulation
 - 4. Risks and rewards
 - F. Real estate investment trusts
 - G. Appraisal of investment property
 - 1. Net operating income
 - a. Converting net income to value
 - b. Rate of return (discount rate)
 - 2. Estimate of value
- IX. Real property management
 - A. Background
 - 1. Development of management

MINNESOTA RULES 1985

2800.6300 REAL ESTATE BROKER LICENSING AND EDUCATION

2092

2. Scope of management
 - a. Residential
 - b. Commercial
 - c. Industrial
 - d. Agricultural
3. Professional management
4. Types of owners
- B. Management plan
 1. Objectives
 2. Regional analysis
 3. Neighborhood analysis
 4. Property analysis
 - a. Physical
 - b. Fiscal
 - c. Operational
 5. Market analysis
 - a. Costs and profit
 - b. Comparable
 - c. Escalation base
 6. Analysis of alternatives
 7. Conclusions and recommendations
- C. Government and real estate management
 1. Local government
 - a. Rent control
 - b. Handicapped requirements
 - c. Fire code requirements
 - d. Miscellaneous ordinances
 2. State government
 - a. Landlord-tenant laws
 - b. Nondiscrimination
 - c. Extension of tenants' rights
 3. Federal government
 - a. Nondiscrimination
 - b. HUD subsidies
 - c. Regulated housing
 4. Housing programs
- D. Management operations
 1. Marketing
 2. Tenant underwriting
 3. Tenant administration
 4. Physical plant maintenance
 - a. Preventative maintenance
 - b. Energy management
 5. Operational record keeping
 - a. Physical records
 - b. Tenant files
 - c. Budget
 - d. Fiscal
- X. Leases and leasing
 - A. Statute of frauds
 - B. Elements of a contract (review)

MINNESOTA RULES 1985

2093 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.6500

- C. Types of tenancies
 - 1. Estate for years
 - 2. Tenancy from year to year
 - 3. Tenancy at will
 - 4. Tenancy at sufferance
 - 5. Holdover tenants
- D. Types of leases
 - 1. Gross
 - 2. Net
 - 3. Percentage
 - 4. Land
 - 5. Farm
- E. Form of lease
 - 1. Common covenants
 - 2. Residential leases
 - 3. Responsibilities of lessor
 - 4. Responsibilities of lessee
 - 5. Termination
 - a. Expiration
 - b. Automatic renewal
 - c. Breach of conditions
 - d. Abandonment
 - e. Eviction
 - 6. Minnesota landlord-tenant act

Statutory Authority: *MS s 82.28*

2800.6400 COURSE III HOURS.

Course III shall be a 30-hour course consisting of one of the following:

- A. real estate appraisal, 30 hours;
- B. closing procedures, 30 hours;
- C. farm and ranch brokerage, 30 hours;
- D. real estate finance, 30 hours;
- E. real estate investment, 30 hours;
- F. real estate law, 30 hours;
- G. real estate management, 30 hours;
- H. real estate mathematics, 30 hours;
- I. business brokerage, 30 hours; or
- J. a combination course of no more than three of the subjects set forth in items A to I, 30 hours.

Statutory Authority: *MS s 82.28*

2800.6500 COURSE III CURRICULUM.

Subpart 1. **Real estate appraisal.** The real estate appraisal course shall be based on the following outline:

- Real estate appraisal
- I. Nature, importance and purposes of appraisals
- II. Nature, importance and characteristics of property and value
- III. Principles controlling real estate value
- IV. The appraisal process
- V. Economic and neighborhood analysis
- VI. Considerations and fundamentals of site evaluation

MINNESOTA RULES 1985

- VII. Construction methods and materials
 - VIII. Architectural styles and utility
 - IX. Cost approach: estimating costs and accrued depreciation
 - X. Analysis
 - XI. Market data approach
 - XII. Income approach: income and expense analysis, capitalization theory and techniques
 - XIII. Reconciliation and final value estimate
 - XIV. Writing the report
 - XV. Course examination
- Subp. 2. **Closing procedures.** The closing procedures course shall be based on the following outline:

Closing procedures

- I. Overview of closing: persons present, protocol, timeliness
 - II. Review of purchase agreement, supplements, addenda
 - III. Compilation of data needed to prepare a closing file
 - IV. Legal documents
 - V. Abstracts, title procedures
 - VI. Review of settlement costs: buyer, seller
 - VII. Closing statement: prorations and other math
 - VIII. Review of sample cases
 - IX. Follow-up procedures
 - X. Course examination
- Subp. 3. **Farm and ranch.** The farm and ranch brokerage course shall be based on the following outline:

Farm and ranch brokerage

- I. Responsibilities of broker to seller and buyer
 - II. Selling options
 - III. Sources of financing
 - IV. Factors in selecting a farm or ranch
 - V. Advantages and disadvantages of irrigation systems
 - VI. Determination of farm and ranch value
 - VII. Considerations in the constructing of purchase agreements
 - VIII. Course examination
- Subp. 4. **Real estate finance.** The real estate finance course shall be based on the following outline:

Real estate finance

- I. Introduction to the mortgage market
 - II. Sources of mortgage money
 - III. Real estate investment trusts and syndication
 - IV. Mortgage banking
 - V. Financing residential properties
 - VI. Financing income producing properties
 - VII. Construction and land development loans
 - VIII. Special techniques used in financing real estate
 - IX. Junior mortgages
 - X. Land contracts
 - XI. Financing long term leases
 - XII. Course examination
- Subp. 5. **Real estate investment.** The real estate investment course shall be based on the following outline:

MINNESOTA RULES 1985

2095 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.6500

Real estate investment

- I. Real estate investments
- II. Discounted cash flow analysis
- III. Measuring investment returns
- IV. Estimation of real estate cash flows
- V. Real estate financing
- VI. The tax process
- VII. Acquisitions and operations
- VIII. Dispositions and exchanges
- IX. After tax investment analysis
- X. Speculative land investment
- XI. Multiple exchanges
- XII. Course examination

Subp. 6. **Real estate law.** The real estate law course shall be based on the following outline:

Real estate law

- I. The process of real estate law
- II. Real estate brokerage
- III. Contract for the sale of real estate
- IV. Property conveyance
- V. Title insurance and closing
- VI. Property ownership and taxes
- VII. Estates in land and landlord/tenant relationships
- VIII. Cooperatives, condominiums and planned unit developments
- IX. Real estate lending and land use regulations
- X. Course examination

Subp. 7. **Real estate management.** The real estate management course shall be based on the following outline:

Real estate management

- I. Overview and economics of real estate management
- II. Government involvement
- III. The management plan
- IV. Owner relations and record keeping
- V. Marketing and leasing
- VI. Property operations
 - A. Tenant administration
 - B. Physical plant maintenance
 - C. Staffing and employee relations
- VII. Residential management
 - A. Rental housing
 - B. Condominiums and cooperatives
- VIII. Commercial management
 - A. Office building and special purpose properties
 - B. Shopping centers and retail properties
- IX. The management office
- X. Creative property management
- XI. Course examination

Subp. 8. **Real estate mathematics.** The real estate mathematics course shall be based on the the following outline:

Real estate mathematics

- I. Functions

MINNESOTA RULES 1985

2800.6500 REAL ESTATE BROKER LICENSING AND EDUCATION

2096

- A. Percentages, fractions, decimals, equivalencies, functions
- B. Basic geometric rules
- C. Ratio, proportion, scale
- D. Basic algebraic operations
- II. Areas of application to real estate
 - A. Broker trust accounts
 - B. Sales and listings
 - C. Valuation and spatial problems
 - D. Finance
 - E. Income and investment property
 - F. Closing

III. Course examination

Subp. 9. **Business brokerage.** The business brokerage course shall be based on the following outline:

Business brokerage

- I. Business financial statements
- II. Financial statement ratio analysis
- III. Cash flow, rate of return, and breakeven analysis
- IV. Competitive market analysis
- V. Valuation of the business
- VI. Developing the business plan
- VII. Qualifying the buyer
- VIII. Terms of the purchase agreement
- IX. Financing the business opportunity
- X. Evaluation of business risk
- XI. Course examination

Subp. 10. **Combination course.** A combination course shall consist of no more than three of the preceding nine subparts and shall devote at least ten hours to each subject. A school that proposes to offer a combination course III shall submit to the commissioner, as part of the application for approval, an outline setting forth the subjects to be addressed and the number of hours proposed to be devoted to each topic.

Statutory Authority: *MS s 82.28*

2800.6600 COURSE III OBJECTIVES.

Subpart 1. **Real estate appraisal.** Upon completion of the real estate appraisal course, a student should be able to explain the nature, importance and characteristics of the factors affecting property value; perform an economic and neighborhood analysis; discuss and apply the cost, market and income approaches to value; estimate the value of one to four unit residential properties; and prepare a written report of the appraisal.

Subp. 2. **Closing procedures.** Upon completion of the closing procedures course, a student should be able to develop a checklist of activities and documents needed to carry out a closing; coordinate the compilation of information and documents from all parties to a closing; interpret all information on a purchase agreement; compute prorations and other calculations required for a closing; complete acceptable legal formats for all documents serving to transfer title; prepare an accurate closing statement; and develop a closing file system.

Subp. 3. **Farm and ranch brokerage.** Upon completion of the farm and ranch brokerage course, a student should be able to utilize the management assistance available to brokers, buyers, and sellers of farm real estate; determine the value of farm or ranch real estate; understand the components that make up

MINNESOTA RULES 1985

2097 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.6800

farm and ranch real estate; identify and describe methods of financing farm and ranch property; and understand the considerations in the preparation of a purchase agreement for the sale of farm or ranch property.

Subp. 4. **Real estate finance.** Upon completion of the real estate finance course, a student should be able to identify and describe methods of financing real property; explain the role of financial institutions in financing the purchase or sale of real estate; utilize compound interest or "time value of money" concepts to facilitate investment and financing decisions; apply these methods to solve client financing problems; and discuss the practices and procedures of loan application, analysis, closings and foreclosure.

Subp. 5. **Real estate investment.** Upon completion of the real estate investment course, a student should be able to understand and describe investment tax considerations such as depreciation, capital gains, installment sales and exchanges; utilize the mathematics of real estate investment; perform feasibility studies including market analysis; perform property analysis; and apply techniques of investment analysis to specific types of real estate.

Subp. 6. **Real estate law.** Upon completion of the real estate law course, a student should be able to understand the process of real estate law, its historical origins, and the legal responsibilities placed upon real estate salespersons and brokers; prepare and understand the basic contracts of property conveyance; explain the major legal aspects of property conveyance, property ownership, insurance settlement procedures, taxes, and leasing agreements; recognize and apply the specific requirements in planned unit developments, condominium, and cooperative housing transactions; and understand the requirements of real estate lending and land use rules.

Subp. 7. **Real estate management.** Upon completion of the real estate management course, a student should be able to explain and discuss the scope, nature, and importance of property management; outline the essentials of a management plan; and understand the significant differences between residential, commercial, industrial, and retail property management.

Subp. 8. **Real estate mathematics.** Upon completion of the real estate mathematics course, a student should be able to identify required mathematical procedures to be used in real estate transactions; perform required mathematical functions with a high level of accuracy; isolate and explain the steps of each calculation; and explain mathematical procedures to clients as needed.

Subp. 9. **Business brokerage.** Upon completion of the business brokerage course, a student should be able to evaluate business financial statements, qualify potential buyers, review relevant markets including competition, develop a business plan, value the firm's assets and goodwill, negotiate the terms of a purchase agreement, and explain terms of financing, valuation, and business risk to a potential buyer.

Statutory Authority: *MS s 82.28*

CONTINUING EDUCATION COURSES

2800.6800 CONTINUING EDUCATION.

Subpart 1. **Content.** Continuing education shall consist of approved courses that impart substantive and procedural knowledge in the real estate field.

Subp. 2. **Attendance.** Courses must be attended in their entirety in order for a licensee to obtain credit. No credit will be given for partial attendance at a course.

Subp. 3. **Credit approved.** Courses will be approved only in hour segments. No fractional hours will be approved, nor will applicants be given credit for any period of less than a whole hour.

Subp. 4. **Examinations.** Course examinations will not be required for continuing education courses unless they are required by the school or the licensee elects to take course III for continuing education credit.

MINNESOTA RULES 1985

2800.6800 REAL ESTATE BROKER LICENSING AND EDUCATION 2098

Subp. 5. **Textbooks.** Textbooks are not required to be used for continuing education courses. In instances in which textbooks are not used, students are to be provided with a syllabus containing, at a minimum, the course title; the times and dates of the course offering; the names and addresses or telephone numbers of the course coordinator and instructor; and a detailed outline of the subject materials to be covered.

Subp. 6. **Credit earned.** Upon completion of approved courses, students shall earn one hour of continuing education credit for each hour of attendance and approved instructors shall earn three hours of continuing education credit for each hour of instruction. Credit may not be earned if the licensee has previously obtained credit for the same course as either a student or instructor.

Subp. 7. **Disapproved courses.** Approval will not be granted for courses designed to prepare students for passing any licensing examinations; in mechanical office or business skills, including typing, speed-reading, use of calculators, or other machines or equipment; in sales promotion, including meetings held in conjunction with the general business of the licensee's broker; or in motivation, salesmanship, psychology, or time management.

Subp. 8. **Continuing education credit for course III.** Licensees may attend or teach course III for continuing education credit. Credit will be given for less than the entire course III only for combination courses offered pursuant to part 2800.6400, subpart 10. Credit will be given only for attendance at segments of the combination course III which completely cover a subject. An examination will be required only if the licensee takes the entire combination course or if the school requires a separate examination for each subject covered.

Subp. 9. **Burden of proof.** The burden of demonstrating that courses impart substantive and procedural knowledge in the real estate field is upon the person seeking approval or credit.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

GENERAL COURSE AND CONTINUING EDUCATION REQUIREMENTS

2800.7100 GENERAL REAL ESTATE EDUCATION REQUIREMENTS.

Parts 2800.7200 to 2800.8750 constitute general requirements applicable to all real estate education courses.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.7150 APPLICATION FOR COURSE APPROVAL FOR COURSES I, II, AND III.

The real estate education application for course approval for courses I, II, and III shall be in the form in part 2800.9920.

Statutory Authority: *MS s 82.28*

2800.7175 APPLICATION FOR COURSE APPROVAL FOR CONTINUING EDUCATION.

The real estate education application for course approval for continuing education shall be in the form in part 2800.9935.

Statutory Authority: *MS s 82.22 subd 13*

2800.7200 COURSE APPROVAL.

Subpart 1. **Advance approval.** Courses must be approved by the commissioner in advance and will be approved or disapproved on the basis of their compliance with the provisions of Minnesota Statutes, section 82.22 and the rules adopted thereunder.

No advance approval is required for continuing education offerings if the licensee demonstrates attendance at an offering that was in substantial compliance with Minnesota Statutes, chapter 82 and the rules adopted thereunder.

MINNESOTA RULES 1985

2099 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.7400

Approval will not include time spent on breaks, meals, or other unrelated activities.

Subp. 2. **Permitted course offerings.** Courses complying with Minnesota Statutes, chapter 82 and the rules adopted thereunder may be offered or sponsored by schools.

Coordinators must immediately notify the commissioner of any material change in an application for approval or in the exhibits attached to it.

Subp. 3. **Limitation on advertising.** Courses may not be advertised prior to approval.

Subp. 4. **Applications.** Applications for course approval will be accepted on forms prescribed by the commissioner no later than 30 days prior to the course offering and shall include the following:

- A. the course title;
- B. the date, time, and place of the course offering;
- C. the name, address, and telephone number of the sponsoring entity;
- D. the name, address, and telephone number of the course coordinator;
- E. the name, address, and telephone number of the instructor;
- F. the name, edition, and date of publication of the text to be used, if applicable;
- G. a detailed outline of the course offering, or a statement of compliance with the prescribed outlines for course I, II, or III; and
- H. compliance with the service of process provisions of Minnesota Statutes, section 82.31, if applicable.

Subp. 5. **Application forms.** The form in part 2800.9920 shall be used for courses I, II, and III and the form in part 2800.9935 shall be used for continuing education courses.

Subp. 6. **Subsequent offerings of courses.** Approval shall be granted for subsequent offerings of identical continuing education courses without requiring a new application if a notice of subsequent offerings, as in part 2800.9945, is filed with the commissioner at least 30 days in advance of the date the course is to be held.

Subsequent offerings of identical courses I, II, and III do not require the approval of or notice to the commissioner.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.7250 NOTICE OF SUBSEQUENT OFFERINGS OF CONTINUING EDUCATION COURSES.

The real estate education notice of subsequent offerings of continuing education courses shall be in the form in part 2800.9945.

Statutory Authority: *MS s 82.22 subd 13*

2800.7300 COURSES OPEN TO ALL.

All course offerings shall be open to any interested individuals. Discounts of tuition shall not be given because of affiliation with any particular brokerage or franchise.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.7400 COURSE COORDINATOR.

Subpart 1. **Mandatory.** Each course of study shall have one coordinator, approved by the commissioner, who is responsible for supervising the program and assuring compliance with Minnesota Statutes, chapter 82 and the rules adopted thereunder. Schools may engage an additional approved coordinator in order to assist the coordinator or to act as a substitute for the coordinator in the event of an emergency or illness.

MINNESOTA RULES 1985

2800.7400 REAL ESTATE BROKER LICENSING AND EDUCATION 2100

Subp. 2. **Qualifications.** The commissioner shall approve as a coordinator a person meeting one or more of the following criteria: a minimum of the previous five years as an active real estate broker; at least three years of full-time experience in the administration of an education program during the five-year period immediately preceding the date of application; or a degree in education plus two years real estate experience.

Subp. 3. **Form for coordinator approval.** Application for approval must be submitted on the form in part 2800.9915.

Subp. 4. **Responsibilities.** A coordinator shall be responsible for:

A. assuring compliance with all laws and rules pertaining to real estate education;

B. assuring that students are provided with current and accurate information relating to the laws and rules governing their real estate activity;

C. supervising and evaluating courses and instructors. Supervision shall include assuring, especially when a course will be taught by more than one instructor, that all areas of the curriculum are addressed without redundancy and that continuity is present throughout the entire course;

D. furnishing the commissioner, upon request, with copies of evaluations of instructors or courses;

E. investigating complaints related to course offerings and instructors;

F. maintaining records relating to course offerings, instructors, and student attendance for a period of three years from the date on which the course was completed; these records shall be made available to the commissioner upon request (In the event that a school should cease operation for any reason, the coordinator shall be responsible for maintaining the records or providing a custodian for the records acceptable to the commissioner. Under no circumstances will the commissioner act as custodian of the records. In order to be acceptable to the commissioner, custodians must agree to make copies of acknowledgements available to students at a reasonable fee);

G. assuring that the coordinator is available to instructors and students throughout course offerings and providing the name of the coordinator and a telephone number at which the coordinator can be reached;

H. attending workshops or instructional programs as reasonably required by the commissioner;

I. reporting on the form in part 2800.9930 the attendance of licensed students in courses II and III to the commissioner within 14 days of their completion of the course; and

J. providing students with course completion certificates as in part 2800.9910, for courses I, II, and III, and continuing education courses.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.7450 APPLICATION FOR COORDINATOR APPROVAL.

The real estate education application for coordinator approval shall be in the form in part 2800.9915.

Statutory Authority: *MS s 82.28*

2800.7500 INSTRUCTORS.

Subpart 1. **Requirement.** Each course of study shall have an instructor who is qualified by education, training, or experience to insure competent instruction.

Subp. 2. **Qualifications.** The following provisions relate to the approval and qualification of instructors:

A. Applicants shall submit requests for instructor approval on the form in part 2800.9925 for courses I, II, and III and the form in part 2800.9940 for continuing education courses. Requests must be submitted at least 30 days prior to instruction in an approved course.

B. Applicants for courses I, II, and III shall be approved if they achieve a rating of 70 points or higher based upon the scale in part 2800.9905.

C. The same instructor may teach all three courses. Instructors may engage a nonapproved or guest instructor to teach up to ten hours of specialized coursework covered in course I, II, or III. Approved instructors remain responsible for complying with the provisions of subpart 3.

D. Continuing education instructors must have:

(1) a degree in any area plus two years practical experience in the subject area being taught;

(2) five years practical experience in the subject area being taught;

(3) a college or graduate degree in the subject area being taught; or

(4) have held a broker's license for three years or have three years practical experience in the subject area being taught. These individuals shall also have completed at least 60 hours of approved continuing education in the subject area being taught.

Subp. 3. **Responsibilities.** Approved instructors shall be responsible for the following:

A. compliance with all laws and rules relating to real estate education;

B. providing students with current and accurate information;

C. maintaining an atmosphere conducive to learning in the classroom;

D. assuring and certifying attendance of students enrolled in courses;

E. providing assistance to students and responding to questions relating to course materials; and

F. attending such workshops or instructional programs as are reasonably required by the commissioner.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.7550 APPLICATION FOR INSTRUCTOR APPROVAL FOR COURSES I, II, III.

The real estate education application for instructor approval for courses I, II, and III shall be in the form in part 2800.9925.

Statutory Authority: *MS s 82.28*

2800.7575 APPLICATION FOR INSTRUCTOR APPROVAL FOR CONTINUING EDUCATION.

The real estate education application for instructor approval for continuing education shall be in the form in part 2800.9940.

Statutory Authority: *MS s 82.22 subd 13*

2800.7600 PROHIBITED PRACTICES FOR COORDINATORS AND INSTRUCTORS.

Subpart 1. **Prohibitions.** In connection with an approved course, coordinators and instructors shall not:

A. recommend or promote the services or practices of any particular real estate brokerage, franchise, coordinator, instructor, or school;

B. encourage or recruit individuals to engage the services of, or become associated with, any particular real estate brokerage or franchise;

C. use materials, clothing, or other evidences of affiliation with any particular real estate brokerage or franchise;

D. require students to participate in other programs or services offered by the school, coordinator, or instructor;

E. take a Minnesota real estate licensing examination without the prior approval of the commissioner;

F. attempt, either directly or indirectly, to discover questions or answers on a real estate licensing examination; or

G. disseminate to any other person specific questions, problems, or information known or believed to be included in licensing examinations.

Subp. 2. Notification of misconduct. Coordinators and instructors shall notify the commissioner within ten days of a felony conviction or of disciplinary action taken against a real estate or other occupational license held by the coordinator or instructor.

Subp. 3. Change in information in application. Coordinators and instructors shall notify the commissioner within ten days of any change in the information set forth in the application for approval on file with the commissioner.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.7700 EXTENSIONS.

Upon appropriate showing of a bona fide financial or medical hardship, the commissioner may extend the time period during which postlicensing or continuing education instruction must be successfully completed. Loss of income resulting from cancellation of a license is not a bona fide hardship. Requests for extensions must be submitted in writing no later than 45 days prior to the date of license cancellation and shall include an explanation and verification of the hardship, and a verification of enrollment in an approved course of study and the dates during which the course will be held.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.7800 WAIVERS.

Required real estate education shall not be waived for any licensee or applicant for a license.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.7900 FEES.

Fees for approved courses and related materials shall be reasonable and clearly identified to students. In the event that a course is canceled for any reason, all fees shall be returned promptly. In the event that a course is postponed for any reason, students shall be given the choice of attending the course at a later date or of having their fees refunded in full. If a student is unable to attend a course or cancels his or her registration in a course, school policies regarding refunds shall govern.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.8000 FACILITIES.

Each course of study shall be conducted in a classroom or other facility that is adequate to implement the offering. Approved courses shall not be held on the premises of a real estate brokerage, franchise, or an affiliate thereof.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.8100 CONFLICT OF INTEREST.

A course will not be approved if it is offered by a person who derives substantial income from the real estate brokerage business.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

MINNESOTA RULES 1985

2103 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.8700

2800.8200 SUPPLEMENTARY MATERIALS.

An adequate supply of supplementary materials to be used or distributed in connection with an approved course must be available in order to ensure that each student receives all of the necessary materials. Outlines and any other materials that are reproduced shall be of readable quality.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.8300 ADVERTISING COURSES.

Subpart 1. **True.** Advertising must be truthful and not deceptive or misleading.

Subp. 2. **Approval statement.** No advertisement, pamphlet, circular, or other similar materials pertaining to an approved offering may be circulated or distributed in this state unless the following statement is prominently displayed on the cover of it:

For initial education courses, "This course has been approved by the commissioner of commerce pursuant to Minnesota Statutes, section 82.22, subdivision 6 for initial education courses;" or

For continuing education courses, "This course has been approved by the commissioner of commerce pursuant to Minnesota Statutes, section 82.22, subdivision 13, relating to continuing real estate education."

The preceding language need not be displayed on the cover of any out-of-state offering advertisement; however, it is the responsibility of the school to provide students with evidence that the course has been approved.

Subp. 3. **Approved course advertisements.** Advertising of approved courses must be clearly distinguishable from the advertisement of other nonapproved courses and services.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.8400 NOTICE TO STUDENTS.

At the beginning of each approved offering, the following notice shall be read to students: "This real estate educational offering is recognized by the commissioner of commerce as satisfying _____ hours of credit toward _____ (choose one, or more, of the following: prelicensing, postlicensing, or continuing) real estate education requirements pursuant to Minnesota Statutes, section 82.22. If you have any comments about this real estate offering, please mail them to the Commissioner of Commerce, 500 Metro Square Building, Saint Paul, Minnesota 55101."

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.8500 AUDITS.

The commissioner reserves the right to audit subject offerings with or without notice to the school.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.8600 DISCIPLINARY ACTION.

The commissioner may deny, censure, suspend, or revoke the approval of a coordinator, instructor, or course if it is determined that they are not in compliance with Minnesota Statutes, chapter 82 or the rules adopted thereunder.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.8700 REPORTS TO COMMISSIONER.

Continuing education credits shall be reported by the licensee on the form in part 2800.9950.

Forms will not be accepted unless they reflect the entire 45 required hours. Incomplete forms will be returned to the licensee.

Forms must be received by the commissioner no later than June 15 of the year in which the credits are due. Forms which are mailed shall be deemed timely received if addressed to: Real Estate Licensing, 500 Metro Square Building, Saint Paul, Minnesota 55101, and postmarked prior to 12:01 a.m. on June 14. Licensees are encouraged to submit the form as soon as they have completed the 45 hours of continuing education credit.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

2800.8750 CONTINUING EDUCATION COURSE VERIFICATION.

The real estate education continuing education course verification shall be in the form in part 2800.9950.

Statutory Authority: *MS s 82.22 subd 13*

FORMS

2800.9905 RATING SCALE FOR INSTRUCTORS.

Ratings for applicants seeking approval as instructors of courses I, II, and III:

Points	Criteria
20	2-year degree or certificate;
40	4-year degree;
50	post graduate degree;
60	2-year real estate degree or certificate;
70	4-year real estate degree or certificate.
	Points may not be accumulated in the case of individuals holding more than one degree or certificate;
10	Each 45 hours of continuing real estate education attended or taught. No points will be allowed for periods of less than 45 hours;
30	First three-year period in which engaged full-time in the real estate industry as a licensed broker or salesperson or, in the case of applicants for Course III, the first three-year period in which engaged full-time in a business or profession relating to the subject being taught. No points will be allowed for an applicant who has been licensed for less than three years or who has been engaged in a related business or profession for less than three years;
10	Each full year, after the

MINNESOTA RULES 1985

2105 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.9905

first full three years,
salesperson or, in the case
of applicants for Course III,
each full year, after the
first full three years, in
which engaged full-time in a
business or profession
relating to the subject
being taught.

Statutory Authority: *MS s 82.22 subd 13; 82.28*

MINNESOTA RULES 1985

2800.9910 REAL ESTATE BROKER LICENSING AND EDUCATION 2106

2800.9910 FORM OF COURSE COMPLETION CERTIFICATE.



State of Minnesota
Department of Commerce
Securities and Real Estate Division
500 Metro Square Building
St. Paul, Minnesota 55101
(612) 296-9458

RE-1

COURSE COMPLETION CERTIFICATE

- NOTICE TO SCHOOL: Furnish two copies to student.
- NOTICE TO STUDENTS:
1. For Course I, attach one copy to license application.
 2. For Course II and III, retain for your records unless course was completed prior to licensure. If completed prior to licensure, attach one copy to license application.
 3. For continuing education courses, transfer information from this form to Form RE-9 and submit to Real Estate Licensing when total is 45 hours. Retain one copy for your records.

Student's Name (as it appears on your license)		Home Address	
City, State, Zip		Company to Which You are Licensed	
School/Sponsoring Entity			
Completion Date of Course		<input type="checkbox"/> Course I <input type="checkbox"/> Course II <input type="checkbox"/> Course III	
<input type="checkbox"/> Continuing Education	No. of Hrs.	Course No.	Course Title
		Coordinator's Signature	Date

CM-00502-01

Statutory Authority: *MS s 82.28*

MINNESOTA RULES 1985

2107 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.9915

2800.9915 FORM OF APPLICATION FOR COORDINATOR APPROVAL.



State of Minnesota
 Department of Commerce
 Securities and Real Estate Division
 500 Metro Square Building
 St. Paul, Minnesota 55101
 (612) 296-9458

RE-2

APPLICATION FOR COORDINATOR APPROVAL

Name of Applicant		Address	
City, State, Zip	Phone ()	School/Sponsoring Entity for Which Seeking Approval	

Part 2800.7400 — The Commissioner shall approve as a coordinator a person having the following qualifications:

1. A minimum of the previous five years as an active real estate broker.
OR:
2. At least three of the prior five years of full time experience in the administration of an education program
OR:
3. A degree in education plus two years real estate experience.

Educational Background Relating to Criteria for Approval		
School	Dates Attended	Degree (indicate major)

Employment History Relating to Criteria for Approval			
Name of Employer	Address	Date of Employment	Position

1. Do you have a real estate license in Minnesota or any other state? If Yes, date issued: _____ Type of License: _____	Yes	No
---	-----	----

► If the answer to any of the following questions is yes, attach a detailed explanation.

2. Have you ever been the subject of any inquiry or investigation by any agency through which you have been licensed or certified?	Yes	No
3. Have you ever had a real estate, securities or insurance license in any state which has been suspended, revoked, cancelled or terminated?		
4. Have you ever been convicted of any criminal offense (felony, gross misdemeanor or misdemeanor) in any State or Federal Court, other than traffic violations?		
5. Have you ever been a defendant in any lawsuit involving claims of fraud, misrepresentation, conversion, mismanagement of funds, breach of fiduciary duty or breach of real estate contract?		
6. Are you currently an officer, partner or owner of a licensed real estate company?		

I certify that the information contained on this application is correct. I understand that if approved as coordinator, I will be responsible for compliance with Minnesota laws and rules relating to real estate education in connection with any courses conducted under my supervision. I further certify that I have read and understood the Minnesota laws and rules relating to real estate education.

Signature of Applicant	Date
------------------------	------

CM-00507.01

Statutory Authority: MS s 82.28

MINNESOTA RULES 1985

2109 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.9925

2800.9925 FORM OF APPLICATION FOR INSTRUCTOR APPROVAL.



State of Minnesota
 Department of Commerce
 Securities and Real Estate Division
 500 Metro Square Building
 St. Paul, Minnesota 55101
 (612) 296-9458

RE-4

APPLICATION FOR INSTRUCTOR APPROVAL FOR COURSES I, II, III

Name of Applicant		Address	
City, State, Zip	Phone (include area code) ()	School/Sponsoring Entity	

Part 2800.9905. Applicants for Course I, II, and III shall be approved if they achieve a rating of 70 points or higher based upon the scale below.

POINTS	POINTS
20 2 year degree or certificate.	10 Each 45 hours of approved continuing real estate education attended or taught.
40 4 year degree.	30 First three year period in which engaged full time in real estate industry or profession related to area of teaching.
50 Post graduate degree.	10 Each successive year in which engaged in full time in real estate or profession related to area of teaching.
60 2 year real estate degree or certificate.	
70 4 year real estate degree or certificate.	

CHECK ONE: Courses I and II
 (OR BOTH) Course III, Subject: _____

Educational Background For Which Applicant Seeks Points		
Name of School	Dates Attended	Degree

Educational Points: _____

Continuing Real Estate Education For Which Applicant Seeks Points	
Total No. of Hours Attended	Total No. of Hours Taught

Points may be accumulated only for continuing education courses and for Course III if taken for continuing education.

Continuing Education Points: _____

Professional Experience For Which Applicant Seeks Points		
Place of Employment	Dates	Position Held

Experience Points: _____

TOTAL POINTS: _____

1. Do you have a real estate license in Minnesota or any other state? If yes, date issued: _____ Type of License: _____	Yes	No
---	-----	----

▶ If the answer to any of the following questions is yes, attach a detailed explanation.		
2. Have you ever been the subject of any inquiry or investigation by any agency through which you have been licensed or certified?	Yes	No
3. Have you ever had a real estate, securities or insurance license in any state which has been suspended, revoked, cancelled or terminated?		
4. Have you ever been convicted of any criminal offense (felony, gross misdemeanor or misdemeanor) in any State or Federal Court, other than traffic violations?		
5. Have you ever been a defendant in any lawsuit involving claims of fraud, misrepresentation, conversion, mismanagement of funds, breach of fiduciary duty or breach of real estate contract?		
6. Are you currently an officer, partner or owner of a licensed real estate company?		

MINNESOTA RULES 1985

2800.9935 REAL ESTATE BROKER LICENSING AND EDUCATION

2112

2800.9935 FORM FOR CONTINUING EDUCATION COURSE APPROVAL.



State of Minnesota
 Department of Commerce
 Securities and Real Estate Division
 500 Metro Square Building
 St. Paul, Minnesota 55101
 (612) 296-9458

RE-6

APPLICATION FOR COURSE APPROVAL FOR CONTINUING EDUCATION

- Instructions:**
1. Attach a Service of Process Form (for out-of-state applicants only).
 2. Attach syllabus (pursuant to Part 2800.6800, Subpart 5) and include the time allotted to each segment in the outline.
 3. Attach instructor approval form.

Course Title		School/Sponsoring Entity		
Address		City, State, Zip		Phone (include area code) ()
Course Dates:	From	To	Time	Total Hours
	Course Location			
Name of Text (if applicable)		Date of Edition	Author	
Coordinator		Home Address		
City, State, Zip		Phone (include area code) ()		

As coordinator of the proposed offering, I certify that the information contained in this application is correct to the best of my knowledge. I also certify that this course is not being offered by an individual, firm or business organization, the primary income of which is derived from the real estate brokerage business.

Signature of Coordinator	Date
--------------------------	------

State of _____)
) ss
 County of _____)

On this _____ day of _____, 19____, _____ appeared before me, a Notary Public, and being duly sworn, says that she/he has read the foregoing application and accompanying exhibits, and that the contents thereof are true to her/his own knowledge.

NOTARIAL
 SEAL

Notary Public	
County	My Commission Expires

FOR OFFICE USE ONLY			
DENIAL		APPROVAL	
Reason for Non-Approval:		Course Title:	Course Number
_____		_____	_____
_____		_____	No. of Hours
_____		_____	_____
Date	Signature of R. E. Education Coord.	Date Approved	Signature of R. E. Education Coord.

Statutory Authority: MS s 82.22 subd 13

MINNESOTA RULES 1985

2113 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.9940

2800.9940 FORM FOR APPLICATION FOR CONTINUING EDUCATION INSTRUCTOR APPROVAL.



State of Minnesota
 Department of Commerce
 Securities and Real Estate Division
 500 Metro Square Building
 St. Paul, Minnesota 55101
 (612) 296-9458

RE-7

APPLICATION FOR INSTRUCTOR APPROVAL FOR CONTINUING EDUCATION

Name of Applicant	Address
City, State, Zip	Telephone (include area code) ()
Course Title	School/Sponsoring Entity

Part 2800.7500, Subpart 2, item D. Continuing Education instructors must have a degree in any area plus two years practical experience in the subject being taught; OR five years practical experience in the subject area being taught; OR a college degree in the subject area being taught; OR have held a broker's license for 3 years, or have 3 yrs. practical experience in the subject area being taught, and have completed at least 60 hours of approved continuing education in the subject area being taught.

College/University			
Name of School	Address	Year of Graduation	Major

Experience Related to Subject Area			
Dates	Place of Employment	Address	Position Held

1. Do you have a real estate license in Minnesota or any other state? If yes, date issued: _____ State _____ Type of License: _____	Yes	No
---	-----	----

▶ If the answer to any of the following questions is yes, attach a detailed explanation.

	Yes	No
2. Have you ever been the subject of any inquiry or investigation by any agency through which you have been licensed or certified?		
3. Have you ever had a real estate, securities or insurance license in any state which has been suspended, revoked, cancelled or terminated?		
4. Have you ever been convicted of any criminal offense (felony, gross misdemeanor or misdemeanor) in any State or Federal Court, other than traffic violations?		
5. Have you ever been a defendant in any lawsuit involving claims of fraud, misrepresentation, conversion, mismanagement of funds, breach of fiduciary duty or breach of real estate contract?		
6. Are you currently an officer, partner or owner of a licensed real estate company?		

I certify that the information contained in this application is correct and that I will notify the Commissioner within ten days of any changes in the information contained herein.

Signature of Applicant	Date
------------------------	------

State of _____)
) ss
 County of _____)

On this _____ day of _____, 19____, _____
 appeared before me, a Notary Public, and being duly sworn says that she/he is the applicant; that he/she has read the foregoing application and accompanying exhibits, and that the contents are true to his/her own knowledge.

NOTARIAL
 SEAL

Notary Public	
County	My Commission Expires

CM-00508-01

MINNESOTA RULES 1985

2800.9945 REAL ESTATE BROKER LICENSING AND EDUCATION

2114

2800.9945 FORM OF NOTICE OF SUBSEQUENT CONTINUING EDUCATION COURSE OFFERINGS.



State of Minnesota
Department of Commerce
Securities and Real Estate Division
500 Metro Square Building
St. Paul, Minnesota 55101
(612) 296-9458

NOTICE OF SUBSEQUENT OFFERINGS OF CONTINUING EDUCATION COURSES

RE-6

This Form is to be used to notify the Commissioner no later than 30 days in advance of the proposed offering of previously approved courses.

Attach Form RE-7 (Instructor Approval) if instructor has not received approval for this course since 1-1-83.

Course No.	Course Title	School/Sponsoring Entity		
School Address		City, State, Zip	Phone (area code) ()	
Coordinator's Name		Home Address	City, State, Zip	
Course Dates:	From	To	Time	Total Hours
	Course Location			
Submitted by (print or type)		Signature		
Title		Date		

CM-00509-01

Statutory Authority: *MS s 82.22 subd 13*

MINNESOTA RULES 1985

2800.9955 REAL ESTATE BROKER LICENSING AND EDUCATION 2116

2800.9955 FORM OF REAL ESTATE SALESPERSON AUTOMATIC TRANSFER.



State of Minnesota
 Department of Commerce
 Securities and Real Estate Division
 500 Metro Square Building
 St. Paul, MN 55101
 (612) 296-9458

RE-10

REAL ESTATE SALESPERSON AUTOMATIC TRANSFER

The data which you furnish on this form will be used to implement the automatic transfer of your real estate salesperson's license. You are not legally required to provide this data. However, if you fail to do so you will be unable to utilize the automatic license transfer provision of Minnesota Statute §82.20, Subd. 9(b). Disclosure of your social security number is voluntary, authorized by Minnesota Statute, Chapter 270A. Your social security number may be used to recapture payments made out of the Recovery Fund. Information contained in this application, other than your name and address, will be private pursuant to Minnesota Statutes, Chapter 15.

This form may be used to effect an automatic transfer of a salesperson's license from one broker to another broker provided:

- a) the applicant's educational requirements are not past due;
- b) this form is completed in its entirety;
- c) the applicant commences his/her association with the broker to whom he is transferring within five days after terminating his association with the broker from whom he/she is transferring;
- d) the appropriate transfer fee is attached (if the applicant transfers between May 1 and June 30, inclusive, of any year he/she must also pay the renewal fee in addition to the transfer fee); **MAKE CHECKS PAYABLE TO: "Treasurer, State of Minnesota."**
- e) this form and the appropriate fees are received either by certified mail or personal delivery to the Securities and Real Estate Division of the Department of Commerce within 72 hours of execution by the broker to whom the applicant is transferring; (in the event of a delay in mail delivery, an application postmarked within 24 hours of the date of the signature of the new broker shall be deemed timely received);
- f) the signature of the previous broker pre-dates the signature of the broker to whom the salesperson is transferring;
- g) the applicant is in compliance with 4 MCAR Section 1.41525 concerning notice to the commissioner of any change of information contained in his/her license application or of any civil judgment, disciplinary action or criminal offense.

"X" one: <input type="checkbox"/> Transfer	\$10.00	<input type="checkbox"/> Transfer and Renewal*	\$25.00
<input type="checkbox"/> Transfer with Subdivided Land	\$20.00	<input type="checkbox"/> Transfer and Renewal with Subdivided Land*	\$45.00

*Renewal fees are subject to increase due to special assessments for the Real Estate Education, Research and Recovery Fund. If transferring between May 1 and June 30, inclusive, of any year contact the commissioner's office to determine whether a special assessment has been made.

Applicant's Name as It Appears on License	Social Security No.	License No.
Home Address	City, State, Zip	

Broker (company to whom presently licensed)	License No.
Signature of Broker	Date

Broker (company to whom you will be licensed)	License No.
I understand that I, as broker, am responsible for the real estate activities of this salesperson as of the time and date below:	
Signature of Broker	Date

I hereby certify that I currently hold a Minnesota Real Estate Salesperson's License and that I am eligible for an immediate transfer; that I am not past due for any educational requirements; and that all information contained herein is true and accurate. Further, I understand that I am unlicensed for any period of time between the signatures of the terminating broker and the broker to whom I am transferring. I understand and acknowledge that if this application is not received by the Securities and Real Estate Division within 72 hours of execution of the broker to whom I am transferring, or that if this application is not completed in its entirety, I am not eligible for an immediate transfer. I further certify that I have not failed to notify the Commissioner within 10 days of any change of information contained in my license application or of any civil judgment, disciplinary action or criminal offense, which notice is required pursuant to 4 MCAR 1.41525. (If this application is submitted to the Commissioner by certified mail, the return receipt shall constitute evidence of delivery.)

Signature of Applicant	Date
------------------------	------

CM-00511-01 **APPLICANT MUST RETAIN A PHOTOCOPY OF THIS DOCUMENT AS EXECUTED AND SHALL ALSO PROVIDE THE BROKER FROM WHOM HE IS TRANSFERRING WITH A PHOTOCOPY OF THIS DOCUMENT AS EXECUTED.**

Statutory Authority: MS s 82.20 subd 9