

Arkansas

Governing Agency

Arkansas Real Estate Commission

- Website: <http://www.arec.arkansas.gov/Pages/default.aspx>
- Address: Arkansas Real Estate Commission
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Little Rock, Arkansas 72201
- Tel. No.: (501) 683-8010
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License/Activity Law

- Arkansas' licensing law is found in Title 17, Chapter 42 of the Arkansas Code (AC).
- Arkansas Real Estate Commission's rules and regulations are posted in the Arkansas Administrative Procedure Act. (AAPA).
- Helpful law Booklets and other forms:
<http://www.arec.arkansas.gov/forms/Pages/default.aspx#Forms>

Referral Fees/Commission Sharing

- AREC confirmed that referral fees may be paid to real estate brokers licensed in another jurisdiction.

Acts requiring license

- No person shall practice or represent himself or herself as a real estate broker or salesperson without first applying for and receiving a license to practice under this chapter. AC § 17-42-301(a).
 - AC § 17-42-103(9). The following acts require license:
 - (A) Sells, exchanges, purchases, rents, or leases real estate;

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- (B) Offers to sell, exchange, purchase, rent, or lease real estate;
- (C) Negotiates, offers, attempts, or agrees to negotiate the sale, exchange, purchase, rent, or lease of real estate;
- (D) Lists, offers, attempts, or agrees to list real estate for sale, lease, or exchange;
- (E) Auctions, offers, attempts, or agrees to auction real estate, or participates in a real estate auction;
- (F) Buys, sells, offers to buy or sell, or otherwise deals in options on real estate or improvements to real estate;
- (G) Collects, offers, attempts, or agrees to collect rent for the use of real estate;
- (H) Advertises or holds himself or herself out as being engaged in the business of buying, selling, exchanging, renting, or leasing real estate;
- (I) Assists or directs in the procuring of prospects calculated to result in the sale, exchange, lease, or rent of real estate;
- (J) Assists or directs in the negotiation of any transaction calculated or intended to result in the sale, exchange, lease, or rent of real estate;
- (K) Engages in the business of charging an advance fee in connection with any contract whereby he or she undertakes to promote the sale or lease of real estate either through its listing in a publication issued for such a purpose or for referral of information concerning the real estate to brokers, or both; or
- (L) Performs any of the acts described in this subdivision (9) as an employee of or on behalf of the owner of, or any person who has an interest in, real estate.

Reciprocity

- Arkansas has reciprocity agreements with AL, CO, FL, GA, IA, IN, KN, LA, MI, NE, NY, OH, OK, PN, SD, WA, WV.

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

License Types

- "Principal broker" means an individual expecting to act or acting for another for a fee, commission, or other consideration who does any of the acts (A)-(L). *AC § 17-42-103(9)*.
 - See *AC § 17-42-303(a)(1)* for education and experience requirements.
 - See *AC § 17-42-306* for application procedure.
 - See also *AAPA 4.1(a)*.
- "Associate broker" means an individual who has a broker's license and who is employed by a principal broker, or is associated with a principal broker as an independent

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contractor, and who participates in any activity described in subdivision (9) of this section while under the supervision of a principal broker or executive broker. *AC § 17-42-103(1)(A)*.

- "Executive broker" means an individual who: (i) Has a broker's license; (ii) Is employed by a principal broker or associated with a principal broker as an independent contractor; and (iii) Participates in any activity described in subdivision (9) of this section while under the supervision of a principal broker. *AC § 17-42-103(6)(A)*.
 - An executive broker may supervise associate brokers and salespersons. *AC § 17-42-103(6)(B)*.
- "Salesperson" means an individual who: (A) Has a salesperson's license; (B) Is employed by a principal broker or is associated with a principal broker as an independent contractor; and (C) Participates in any activity described in subdivision (9) of this section while under the supervision of a principal broker or executive broker. *AC § 17-42-103(11)*.
 - See *AC § 17-42-303(a)(2)* for education and experience requirements.
 - See *AC § 17-42-306* for application procedure.
 - See also *APA 4.1(b)*.
- Nonresident—See *AC § 17-42-305* in its entirety
 - A nonresident must: either: (A) Meet the requirements of § 17-42-302; or (B) Show satisfactory proof of current active licensure in the applicant's resident jurisdiction, which must be a jurisdiction that offers Arkansas licensees opportunities for licensure substantially comparable to those offered to that jurisdiction's licensees by this chapter. *AC § 17-42-305(a)(1)*.
 - Affiliate with a resident or nonresident principal broker licensed by the Arkansas Real Estate Commission, if a salesperson or associate broker. *AC § 17-42-305(a)(4)(A)*.
 - See *AC § 17-42-306* for application procedure.
- Entities/firms
 - Notwithstanding the provisions of this section, a person or other legal entity not licensed by the Arkansas Real Estate Commission may own a real estate firm, provided the employees or agents employed by or associated with the firm who

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perform real estate activities identified under 17-42-103(12) hold an active license under this chapter. *AC § 17-42-301(e)(1)*.

- The firm may enter into contracts or otherwise perform activities identified under 17-42-103(12) only through a principal broker and any licensee employed by or associated with the principal broker that holds an active license issued by the commission at the time of performing the contract or activities. *AC § 17-42-301(e)(2)*.
- Nothing in this chapter shall preclude a licensee from: (i) Doing business as a professional corporation under 4-29-101 et seq.; or (ii) Receiving payment from a real estate firm or principal broker of an earned commission to the licensee's legal business entity if the licensee earned the commission on behalf of the real estate firm or principal broker. *AC § 17-42-103 (10)(B)*.

Misc./Advertising

- Offices
 - Every principal broker shall maintain a place of business and shall display a permanently attached sign bearing the name under which the broker conducts his or her real estate business and the words "real estate", "realty", or other words approved by the Arkansas Real Estate Commission which clearly indicate to the public that the broker is engaged in the real estate business. *AC § 17-42-309(a); AAPA 7.3(a)*.
 - If a principal broker maintains a branch office, a duplicate license shall be issued upon payment by the principal broker of the initial fee and, thereafter, such renewal fee as the commission may require pursuant to § 17-42-304. *AC § 17-42-309(b)(1)*.
- Advertising
 - A licensee may not advertise any property, including the licensee's own property, or sale or rent, or display a real estate sign without including in that advertisement or sign the name of the firm with whom that licensee is licensed. *AAPA 10.5(a)*.
 - A principal broker and any persons licensed with said principal broker shall not advertise or otherwise conduct real estate brokerage business under any name other than the name in which the principal broker's license has been issued. *AAPA 10.5(b)*.

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