



## Licensee Alert

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### **Do Not Lose Your Real Estate Licensing Rights and/or License Through Inaction! The Importance of On-Time Renewals**

By Wayne S. Bell, California Real Estate Commissioner

Real estate licensees in California must renew their licenses every four years. If a licensee fails to renew his or her license on time, that licensee has lost his or her rights to conduct activities for which a license is required.

At the California Bureau of Real Estate, we consider such a license to have “expired” by reason of the non-renewal. However, and importantly, a licensee has a two (2) year period from the date of expiration (first non-renewal) to renew the license. For instance, if a real estate broker license expired on October 1, 2013, and it has not been renewed since, the “expired” broker has until October 1, 2015 to renew that license.

It is essential to note that during the period of “expiration” (that period from the date of expiry until renewal), the broker cannot engage in any activities for which a real estate license is required.

The other critical point to note is that if the expired license is not renewed during the two year right to renew period, the license cannot be renewed or re-activated, it is deemed “lapsed”, and the now-former licensee will have lost all license and licensing rights. Therefore, if such a person wants to be re-licensed as a real estate broker (or salesperson as the case may be), he or she will have to re-qualify for the applicable license by meeting all of the then current and relevant requirements for licensure, pass the qualifying examination, and reapply and pay for the new license.

Because of changes in the law, that could mean that a broker who allows his or her license to lapse (meaning expiration and no renewal within the two year window) might no longer be qualified to become a broker and would have to be licensed first as a real estate salesperson.

All real estate licensees are encouraged to know and keep track of their license renewal date(s). If licensees have any questions regarding this cautionary note, or their licenses, they should contact the licensing unit of the California Bureau of Real Estate.

Please do not lose your real estate licensing rights and /or license through inaction.

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