Frequently Asked Questions
Regarding “Fictitious Business Names”

The Real Estate Law requires that a fictitious business name (also known as a DBA) must appear on your broker or corporation license before the name may be used in conducting activities for which a real estate license is required. Knowing DRE's licensing requirements before applying for a fictitious business name can reduce the likelihood that a deficiency letter will be sent by DRE in response to incomplete or incorrect information in the application. The purpose of these FAQs, and the answers to these questions, is to provide information in response to some of the most commonly posed questions related to adding a fictitious business name to a real estate license.

Q. I’m a real estate broker and am interested in adding a fictitious business name to my license. When deciding on a fictitious business name are there any words and/or names, which if included, could result in the denial of my fictitious business name?

A. Pursuant to Commissioner’s Regulation 2731, the commissioner may refuse to issue a license bearing a fictitious name to a broker if the fictitious name:

- Is misleading or would constitute false advertising.
- Implies a partnership or corporation when a partnership or corporation does not exist in fact.
- Includes the name of a real estate salesperson.
- Constitutes a violation of the provisions of Sections 17910, 17910.5, 17913 or 17917 of the Business & Professions Code.
- Is the name formerly used by a licensee whose license has since been revoked.

One way to confirm if a fictitious business name was previously used by a revoked licensee is to do a search on DRE's Public Information Web page, under “Public License Information” and entering the proposed fictitious business name in the field titled, “Licensee/Company Name.”

Q. Can the word “escrow” be included in a fictitious business name?

A. Yes. However, a license will not be issued with a fictitious business name containing the term “escrow”, or any name which implies that escrow services are provided, unless the fictitious business name includes the words or phrase, “a non-independent broker escrow” following the name.
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Q. Now that I have decided on a fictitious business name what is the next step before I can have it added to my real estate broker or corporation license?

A. After choosing your fictitious business name, the next step is filing the name at the appropriate County Recorder’s Office. Fictitious business name statements must be filed in the county where the broker’s or corporation’s main office is located, and must include information that business is being conducted at the broker’s or corporation’s main office location exactly as it appears on DRE records. This, of course, does not preclude a broker or corporation from subsequently filing the fictitious business name statement in other counties from which it will be used.

Q. Are there any other DRE requirements I should be aware of when filing my fictitious business name statement with a County Recorder’s Office?

A. Yes. If a fictitious business name is being added to a broker’s license, the fictitious business name statement should reflect that business is being conducted by an “individual,” and if it is being added to a corporation’s license, the statement should reflect that such business is being conducted by a “corporation.” Furthermore, the registered owner, as listed on the fictitious business name statement, must identify either the broker or corporation, depending on which type of real estate license the fictitious business name is being added to.

Q. After filing the appropriate paperwork with the County Recorder’s Office, what is the next step required prior to adding the fictitious business name to my real estate license?

A. After filing a fictitious business name statement with the County Recorder’s Office, the next step is to fully complete and submit either the Broker Change Application (RE 204) or Corporation Change Application (RE 204A) depending upon which license type to which the fictitious business name is being added.

Q. Are there any other DRE requirements I should be aware of before mailing in the appropriate forms to have a fictitious business name added to my license?

A. Yes. Other things to check before submitting your application for a fictitious business name to DRE is making sure your DRE application includes original signatures, as well as the first and any subsequent pages of the fictitious business name statement must include a “filed” stamp from the appropriate county recorder’s office, and the fictitious business name statement cannot be more than 5 years old.
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Q. I have recently been made aware that salespersons can now own fictitious business names. Is a “salesperson” owned fictitious business name added to a salesperson’s license?

A. In January 2015, Assembly Bill 2018 (Bocanegra) was implemented to allow for salesperson owned fictitious business names (see B&P Code Section 10159.5). However, this statute does not provide for the issuance of fictitious business names by DRE to salespersons. If approved by DRE, the salesperson owned fictitious business name would be added to the salesperson’s employing broker’s or corporation’s license.

Q. Are the licensing requirements different when adding a “salesperson” owned fictitious business name rather than a standard fictitious business name to a broker or corporation license?

A. All of the requirements described above also apply to “salesperson” owned fictitious business names, with a couple of exceptions. When filing a “salesperson” owned fictitious business name with the county, the fictitious business name statement must identify the salesperson as the registered owner and that business is being conducted by an individual. This does not preclude, however, the salesperson from also including their employing broker or corporation as a registered owner as well. A salesperson attempting to add a “salesperson” owned fictitious business name to either their employing broker’s or corporation’s license should use the form Add/CANCEL Salesperson Owned Fictitious Business Name (RE 247), which must be signed by both the salesperson and employing broker/broker officer.

Q. Is a “team name”, as defined in the Real Estate Law, considered a fictitious business name?

A. No. Pursuant to Business Professions Code section 10159.7(a)(5), the use of a “team name” is not considered a fictitious business name. Therefore, no paperwork needs to be submitted to the Department to use a team name. However, when using a “team name” licensees must ensure compliance with the advertising requirements set forth in Business & Profession Code section 10159.6.

Q. I have read the information above and still have questions about adding a fictitious business name to my broker or corporation license. Are there any other resources available that may be able to provide additional assistance?

A. Yes. If you still have questions about adding a fictitious business name to your license you are encouraged to review the Fictitious Business Name Information (RE 282) document, which
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also can be accessed from DRE's website, www.dre.ca.gov. Should you still have questions please call DRE's Licensing program at (877) 373-4542.