Frequently Asked Questions Regarding "Team Names"

The purpose of these FAQs is to provide up-to-date information following changes to the Real Estate Law concerning "team names". These FAQs collectively provide the latest information in response to some of the most commonly posed questions related to "team names" following the signing of SB 710 into law in August 2016.

Q. What is a team name?

A. A "team name," is a statutorily created term that is described in Business and Professions Code Section 10159.7. It means a professional identity or brand name used by a salesperson, and one or more other real estate licensees, for the provision of real estate services.

Q. What must a team name include?

A. A team name must include the surname of at least one member of the team, in conjunction with the words "group," "team," or "associates."

Q. Am I allowed to use the word "brokerage" in my team name?

A. No. Use of the words "broker," "real estate brokerage," "real estate broker," or any other term that would lead a member of the public to believe the team is offering real estate brokerage services or suggest the existence of a real estate entity independent of the responsible broker is not allowed.

Q. Is a team name considered a fictitious business name?

A. Under the Real Estate Law, the use of team name is not considered a fictitious business name. Therefore, no paperwork needs to be submitted to the Department to use a team name.

Q. Can I use the words "realty," or "real estate" as part of my team name?

- A. Because the law does not prohibit such words, the answer is yes, provided you include the surname of at least one team member, and include the words "group," "team," or "associates." For example, the "Smith Real Estate Team" would be allowed as an acceptable team name.
- Q. I am a salesperson. Do I need to include my license number on my team name advertising?
- **A.** Advertising and solicitation materials must include in a conspicuous and prominent manner, the team name, and the surname and license number of at <u>least one member</u> of the licensed members of the team.

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Q. Do I need to include my responsible broker's license number on my team name advertising?

A. *It depends. Current law requires that you must include your responsible broker's name in your advertising, OR you can include both your broker's name and license identification number. In all instances, the responsible broker's identity must be displayed as prominently and conspicuously as the team name in all advertising and solicitation materials.

Q. I know I have to display my responsible broker's identity in my team name advertising prominently and conspicuously. Can you give me an example of what that means?

A. *Yes. As an example, if the font size on your team name advertising is in a 12-point font, then your responsible broker's name should be in an equal or greater font size.

Q. What do you mean by the term "responsible broker identity?"

A. The term "responsible broker identity" is defined in Business and Professions Code Section 10015.4. It means the name under which the responsible broker is currently licensed by the bureau and conducts business in general or is a substantial division of the real estate firm, or both the name and the associated license identification number. Responsible broker's identity does not include a fictitious business name obtained pursuant to paragraph (2) of subdivision (a) of Section 10159.5 or the use of a team name pursuant to Section 10159.6.

Q. I am working as a broker associate for another broker. Can I advertise and operate on behalf of a "team name"?

A. Yes, if you are a broker working in the capacity of a salesperson for another broker or corporation, you can advertise and operate on behalf of a "team name" as long as all of the team name requirements have been met.

^{*}Please note that the disclosure requirements for mortgage loan advertising are more extensive, even if a team name is used. Please review the <u>License Disclosure Requirements for Mortgage Loan Advertising, RE 858</u> for more information.