

**STATES
“WITH” & “WITHOUT”
LICENSING
For
PROPERTY MANAGEMENT**

1. **Alaska-** Yes. A broker's license is required for any person or company that, for compensation, engages in the lease of real estate in Alaska, who offers real estate for rent or lease, who collects rent for the use of real estate or fees for property management, or who practices or who negotiates to practice property management. AS 08.88.161. A salesperson working under a broker may engage in such activities.
1. **Arizona-** Yes. A broker's license is required for any person or company who, for compensation, engages in the lease or rental of real estate in Arizona, who offers or lists real estate for rent or lease, who collects rent for the use of real estate or who negotiates the rental or leasing of Arizona real estate. A salesperson working under a broker may engage in such activities.
1. **Arkansas-** Yes. A broker's license is required for any person or company who, for compensation, engages in the lease or rental of real estate in Arkansas, who offers or lists real estate for rent or lease, who collects rent for the use of real estate or who assists or directs in the negotiation of any transaction intended to result in the rent or lease of Arizona real estate. A salesperson working under a broker may engage in such activities.
1. **California-** Yes. A broker's license is required for any person or company that, for compensation, leases or rents or offers to lease or rent, or places for rent, or solicits listing of places for rent, or solicits for prospective tenants, or negotiates the sale, purchase or exchanges of leases on real property, or on a business opportunity, or collects rents from real property, or improvements thereon, or from business opportunities. Businesses and Professions Code, Chapter 3, Article 1, Sec. 10131 (b). A salesperson working under a broker may engage in such activities.
1. **Colorado-** Yes, if the service offered as a property manager includes the negotiation of a lease or lease terms, an active real estate broker's license is required. If a real estate broker who is in the employ of another broker conducts such management, all management must be conducted under the employing broker. The Colorado Real Estate Commission does not have any approved forms for leases or management agreements but it does have specific trust account and accounting requirements which brokers need to follow in handling security deposits and rental receipts. Brokers engaged in property management are also required to comply with the brokerage relationship section of the license law and applicable rules. Brokers must use the exclusive Right to Lease to establish an agency and/or Exclusive relationship with a property owner.
1. **Connecticut-** Yes. A broker's license is required for any person or company that, for compensation, rents or offers or attempts to negotiate the rental of an estate or interest in real estate, or collects or offers or attempts to collect rent for the use of real estate. A salesperson working under a broker may engage in such activities.
1. **Delaware-** Yes. A broker's license is required for any person or company that, for compensation, sells or offers to sell, or buys or to offers to buy, or negotiates the purchase, sale, or exchange of real estate or leases or rents or offers for rent any real estate, or negotiates leases or rental agreements. A salesperson working under a broker may engage in such activities.
1. **Florida-** Yes. A property manager needs a sales or broker license if the compensation is paid by commission, and handling rentals and leases for others, not personally owned properties. There is not a "Property Manager" license or certificate. Also, certain rental properties need a license through the Div. of Hotels and Restaurants.
10. **Georgia-** Yes. A real estate broker's license is required for any person or company that, for compensation, negotiates or attempts to negotiate, or assists in procuring prospects for the listing, renting or lease for any real estate or improvements, holds him or herself out as a referral agent for the purpose of securing prospects for

the listing, renting or lease for any real estate, collects rents, assessments or other trust funds or attempts to collect rents, assessments, or other trust funds; or performs property management services or community association management services. A salesperson working under a broker may engage in such activities.

“Property management services” means the provision, for compensation, of marketing, including referring prospective tenants; leasing; physical, administrative, or financial maintenance; and overall management of real property; or supervision of the above activities pursuant to a property management agreement.

11. **Hawaii-** Yes. A real estate broker’s license is required for any person or company that, for compensation, rents, or offers, attempts or agrees to the rental of any real property or who advertises or holds out to the public by any oral or printed solicitation or representation that she or her is engaged in the business of leasing or renting business enterprises or business opportunities or the real property of another, or leases, or who directs or assisting in the procuring of prospects or in the negotiation or closing of any transaction which does, or is calculated to, result in a leasing of real property; and all persons who advertise rental property information or lists. A salesperson working under a broker may engage in such activities.

12. **Idaho-** No. A real estate broker’s license is not required. Property management is not a regulated activity in Idaho.

13. **Illinois-** Yes. A person needs a real estate license if they provide assistance which is in any way intended to result in the sale or lease of real estate. The definition of the word “broker” in the Illinois Real Estate Act provides 11 examples of the types of “assistance” that require a real estate -license. Included are: representing clients in the negotiation of real estate sales contracts or leases, and issuing advertisements for the sale, purchase or lease of real estate.

Therefore, property management activities that involve general administration, like contracting for property maintenance (garbage pick-up, etc.) and paying general expenses (utilities, etc.), do NOT require a real estate license. Serving as an accountant for association dues also does not require a real estate license.

Only those property management activities that involve a conveyance of real estate by contract or lease require a real estate license. Accordingly, property management activities that require a real estate license include: showing a unit for sale or lease, negotiating lease or real estate contract terms, maintaining security deposits, rent payments or earnest money deposits.

Illinois is unique in that it does allow property managers to obtain a “leasing agent” license to be used only for residential leasing activities. Leasing agents must be sponsored and employed by a sponsoring broker.

14. **Indiana-** Yes. If a property manager is going to lease, rent, manage, list, or negotiate or offer to perform any of those acts, her or she will need a real estate license. However, an individual involved in the renting of residential apartment units need not be licensed if he or she is employed or supervised by a licensed broker.

15. **Iowa-** Yes. If a property manager is going to lease, rent, manage, list, collect rent, procure prospects or negotiate, assist, prepare residential rental agreements, or offer to perform any of those acts, her or she will need a broker’s license. A salesperson working under a broker may engage in such activities.

16. **Kansas-** No. According to the Kansas Department of Real Estate a broker’s license is not required to manage property if the property at issue is a residential property. As always, please confirm this information with your state real estate commission.

17. **Kentucky-** Yes. If a property manager is going to lease, rent, list, procure prospects or negotiate, assist, or offer to perform any of those acts, her or she will need a broker’s license. A salesperson working under a broker may engage in such activities.

All active Kentucky real estate licensees are required to carry errors and omissions insurance as a condition of licensure.

18. **Louisiana-** Yes. If a property manager is going to lease, rent, list, procure prospects or negotiate, assist, or offer to perform any of those acts, her or she will need a broker's license. A salesperson working under a broker may engage in such activities.
19. **Maine-** No. Property management and/or rental matters are not matters which require a Maine Real Estate Commission License.
20. **Maryland-** No. Property management does not require a real estate license. However, if a person is licensed by the Commission, and they are doing property management, they are subject to the laws and regulations of the Commission.
21. **Massachusetts-** Yes. If a property manager is going to lease, rent, list, procure prospects or negotiate, assist, or offer to perform any of those acts, her or she will need a broker's license. A salesperson working under a broker may engage in such activities. (Chapter 112: Section 87PP).
22. **Michigan-** Yes. Under the Michigan Public Act, anyone who engages in property management must have a real estate broker's license, unless they are a real estate salesperson employed by a real estate broker to engage in property management. Property management is defined as the leasing or renting, or the offering to lease or rent, of real property of others for a fee, commission, compensation, or other valuable consideration pursuant to a property management contract.
23. **Minnesota-** Yes. If a property manager is going to lease, rent, list, procure prospects or negotiate, assist, or offer to perform any of those acts, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.
24. **Mississippi-** Yes. If a property manager is going to lease, rent, manage, list, procure prospects or negotiate, assist, or offer to perform any of those acts, her or she will need a broker's license. A salesperson working under a broker may engage in such activities.
25. **Missouri-** Yes. If a property manager is going to lease, rent, list, procure prospects or negotiate, assist, or offer to perform any of those acts, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.
26. **Montana-** Yes. If a property manager is going to lease, rent, list, procure prospects or negotiate, assist, or offer to perform any of those acts, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.
27. **Nebraska-** Yes. If a property manager is going to lease, rent, list, collect rents, procure prospects or negotiate, assist, or offer to perform any of those acts, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.
28. **Nevada-** Yes. If a property manager is going to lease, rent, list, collect rents, procure prospects or negotiate, assist, or offer to perform any of those acts, he or she will need either a salesperson's OR broker's license. In addition, he or she must obtain a property management permit.
29. **New Hampshire-** Yes. If a property manager is going to lease, rent, list, collect rents, procure prospects or negotiate, assist, or offer to perform any of those acts, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.
30. **New Jersey-** Yes. If a property manager is going to rent, list, collect rents, procure prospects or negotiate, assist, or offer to perform any of those acts, he or she will need a broker's license. 45:15-3. A salesperson working under a broker may engage in such activities.
31. **New Mexico-** Yes. If a property manager is going to lease, rent, or list, he or she will need a broker's license. According to the Real Estate Brokers statute, "Property Management" is defined as including – the showing, renting and leasing of real property, the collection and disbursement of funds on behalf of other

persons, the supervision of employees as specified in the management agreement, the supervision of maintenance and repair work, handling of tenant relations, and/or preparation of financial reports. A "Property Manager" is defined as a broker – who, for a fee, salary, commission or other valuable consideration, is engaged in managing property for others.

32. New York- Yes. If a property manager is going to rent, list, negotiates the rental of property, or collect rents he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

A real estate management company needs a broker's license if it collects rent or places tenants in vacant spaces on behalf of a landlord client. If services are strictly maintenance, a broker's license is not required.

33. North Carolina- Yes. If a property manager is going to lease, rent, or list, or offers to perform any of those acts, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

34. North Dakota- Yes. If a property manager is going to lease, rent, list, procure prospects or negotiate, assist, or offer to perform any of those acts, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

35. Ohio- Yes. If a property manager is going to lease, rent, list, procure prospects or negotiate, assist, or offer to perform any of those acts, or if he or she operates, manages or rents any building or portions of buildings to the public as tenants (other than a custodian, caretaker or janitor) he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

36. Oklahoma- Yes. If a property manager is going to lease, rent, list, solicit for prospective tenants, solicit listings of places for rent or lease, or negotiate or attempt to negotiate to perform any of those acts, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

37. Oregon- Yes. The following individuals may engage in the management of rental real estate:

- A licensed real estate broker, under the supervision of a licensed principal real estate broker
- A licensed principal real estate broker
- A licensed property manager

A licensed property manager is only authorized to engage in the management of rental real estate and is not authorized to engage in other professional real estate activity for another for compensation including, but not limited to, purchases, sales and exchanges of real estate.

38. Pennsylvania- Yes. If a property manager is going to lease, list or manage real estate, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

39. Rhode Island- Yes. If a property manager is going to lease, list or rent real estate, or if he or she holds herself out as engaging in those activities he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

40. South Carolina- Yes. If a property manager is going to lease or list real estate, or negotiate or attempt to negotiate to perform any of those acts, or if he or she holds herself out as engaging in any of those activities, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

In South Carolina a "property manager" is defined as an individual, who, for a fee, salary, or commission, or other valuable consideration or who with the intent or expectation of receiving compensation:

- Negotiates or attempts to negotiate the rental or leasing of real estate or improvements thereon;
- Lists or offers to list and provide services in connection with the leasing or rental of real estate or improvements thereon;

- Advertises or otherwise holds himself out to the public as being engaged in any of the foregoing activities.

A "property manager in charge" is the property manager who has responsibility for the actions of the associate property managers and who has responsibility and control over and liability for trust accounts.

41. **South Dakota-** No. But if a property manager is going to negotiate the rent, exchange or leasing of a property, list or rent real estate, or collect rent for real estate or if he or she holds herself out as engaging in those activities he or she will need at least a "property manager's license", which is a type of "restricted broker's license". Individuals must be licensed as individual property managers and partnerships, associations or corporations must be licensed as firms.

42. **Tennessee-** Yes. If a property manager is going to lease or list real estate, or negotiate or attempt to negotiate to perform any of those acts, or collect rent or attempt to collect rent, or if he or she holds herself out as engaging in any of those activities, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

43. **Texas-** Yes. If a property manager is going to lease or list real estate, or negotiate or attempt to negotiate to perform any of those acts, or if he or she holds herself out as engaging in any of those activities, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

44. **Utah-** Yes. A Broker license is required for any individual who, for another and for valuable consideration, engages in property management including advertising real estate for lease or rent, procuring prospective tenants or lessees, negotiating lease or rental terms, executing lease or rental agreements. The licensing requirement does not apply to an owner who manages his or her own property, an employee for one property owner, apartment managers who reside in the apartments at reduced rent, full-time salaried employees of a Homeowners Association, hotel or motel management, or management activities associated with rental accommodations for a period of less than 30 consecutive days. A Sales Agent working for a Broker may also engage in such acts.

45. **Vermont-** No. Not if the property manager is going to just be dealing with rental properties.

46. **Virginia-** Yes. If a property manager is going to lease or offer to lease, or rent or offer for rent, any real estate or improvement on real estate, he or she will need a broker's license. A salesperson working under a broker may engage in such activities. (m 54.1-2100.)

47. **Washington-** Yes

48. **West Virginia-** Yes. If a property manager is going to lease, rent, manage, or list real estate, or negotiate or attempt to negotiate to perform any of those acts, or if he or she holds herself out as engaging in any of those activities, he or she will need a broker's license. A salesperson working under a broker may engage in such activities.

49. **Wisconsin-** Yes. If a property manager is going to negotiate, or offer to negotiate the rental of an interest in real estate, he or she will need a broker's license. A salesperson working under a broker may engage in such activities

50. **Wyoming-** Yes. If a property manager is going to rent, manage or lease, or offer to rent, manage or lease real estate, or negotiate or attempt to negotiate to perform any of those acts, or list real estate for lease, or collect, offer or attempt to collect rent, or if he or she holds herself out as engaging in any of those activities, he or she will need a broker's license. A salesperson working under a broker may engage in such activities. (33-28-102).

“NEIGHBORING STATES”

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- A licensed principal real estate broker
- A licensed property manager

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