



CALIFORNIA ASSOCIATION OF REALTORS®

DRE Guidelines For Unlicensed Assistants

Real estate brokers and agents—whether involved in real estate sales or mortgage loan brokerage—have become increasingly dependent upon the assistance of unlicensed personnel. Ultimately, the real estate broker is responsible for the supervision and control of all the activities conducted by the salespersons and employees, including unlicensed assistants.

The following summarizes some of the do's and don'ts for unlicensed assistants involved in real estate sales and mortgage loan brokerage activities.

UNLICENSED ASSISTANT ACTIVITY

ACCESS TO PROPERTY

Can Do

- Allow a professional into the property to inspect or perform repair work, with the principal's permission. The unlicensed assistant must be present to allow a professional inspector into the home.

Don't Do

- Information about the property must be provided by the broker or salesperson, unless it is obtained from a data sheet prepared by a real estate licensee and that fact is made clear to the person requesting the information.

ADVERTISING

Can Do

- Prepare and design advertisements in connection with a transaction, if the advertisements are reviewed and approved by a real estate licensee prior to publication
- Create open house ads
- Write ads/brochures
- Cancel advertising

ARRANGING APPOINTMENTS

Can Do

- Schedule appointments for real estate licensees to meet with their principals
- Arrange and order reports and services from third parties (such as pest control companies, title companies, appraisers, credit check or report, or repair work) in connection with the transaction as directed by the real estate licensee

BUYERS

Can Do

- Create search parameters and enter into MLS
- **Search MLS for new listings**
- **Call/FAX/email listing information to buyer**
- Contact client weekly for changes in parameters
- **Coordinate pre-qual and pre-approvals with lender and agent**
- **Prepare purchase agreement contracts based upon information provided by the agent**
- **Schedule appointments with agent to show property.** Assistant may also show agents own listings but cannot discuss terms or any other information not already advertised.

Don't Do

- **Assistant cannot explain contracts, disclosures, and reports or negotiate.**

COLD CALLING

Can Do

- **Canvass for interest in using the services of a real estate broker or agent.** If a person answering the call indicates an interest in using the services of the broker or agent, or the kind of services the broker or agent provides, the assistant must refer the call to a real estate licensee or schedule an appointment for the caller with a real estate licensee.

Don't Do

- Cannot attempt to induce the prospective client to use the services of the broker or agent regarding a specific property, transaction, or product
- Cannot discuss the real property needs of the prospective client or use the call for solicitation purposes with respect to a specific property, transaction, or product
- All federal and states laws concerning cold calling apply equally to real estate licensees and unlicensed assistants.

COMMUNICATING WITH PRINCIPALS

Can Do

- Communicate with a principal, party or service provider in connection with a transaction, about when reports or other needed information regarding the transaction will be delivered, or when certain services will be performed or completed, or if the services have been completed

COMMUNICATING WITH THE PUBLIC

Can Do

- Answer phones
- Fax or mail information about listings to clients or agents
- Provide factual information to the public from written materials prepared by the real estate licensee
- Provide information to others in the real estate business, such as appraisers, other licensees, or title companies, or to the public, from writings prepared by the real estate licensee. All questions about availability or details regarding a property or loan program must be directed to a real estate licensee.

Don't Do

- Cannot communicate with the public “in a manner which is used, designed or structured for solicitation purposes with respect to a specific property, transaction or product”
- Unlicensed assistant cannot give out terms of properties

COMPARATIVE MARKET ANALYSIS

Can Do

- Provide factual information to the public from written materials prepared by the real estate licensee
- Using MLS create a market analysis using agent/broker guidelines

DOCUMENT PREPARATION, DELIVERING, AND SIGNING

Can Do

- Prepare and complete documents and instruments under the supervision and direction of the real estate licensee. The documents or instruments must be reviewed or approved by the licensee prior to their delivery to the principal.
- Mail, deliver, pick up, or arrange the mailing, delivery, or picking up of documents or instruments related to a transaction
- Obtain signatures from the principals, parties, or service providers

Don't Do

- Cannot discuss the content, relevance, or significance of the documents with either the principal, party to the transaction, or a service provider

DOCUMENT REVIEW

Can Do

- Review, as instructed by the real estate licensee, transaction documents to check for completeness or compliance. The final determination of completeness or compliance must be made by the real estate licensee.
- Review transaction documents for the purpose of making recommendations to the licensee on a course of action with respect to the transaction.

ESCROW

Can Do

- Acknowledge receipt of documents
- Audit file for DRE and office compliance
- Coordinate and schedule inspections, repair work, final walk-thru, etc.
- Explain procedures to clients
- Give terms to the title office, agent, client and lender
- Meet termite inspector, appraiser, etc. at the property
- Order sign post down
- Pick up and deliver contracts, reports and disclosures
- Remove lockbox
- Review all reports
- Review estimated settlement statement for accuracy
- Review the preliminary title report and report discrepancies to the licensee and the escrow officer
- Trust fund management
- Verify repairs have been complete

Don't Do

- All contracts and disclosures should be explained to the client by the Agent.
- Any negotiating should be done by the agent.

FRONT OFFICE

Can Do

- Compile information sheets for new buyers and sellers call-ins
- Generate interest in listings to other agents and perspective buyers using preprinted material approved by a licensee
- Make copies of keys
- Monitor and maintain a client database
- Network for sales
- Prepare listing presentation
- Schedule appointments for the agent
- Search for Buyers

LISTINGS

Can Do

- Audit file for DRE and office compliance
- Call agents for feedback on showings
- Change of Price schedule - Includes preparing and delivering a listing modification contract after a price has been agreed upon by the agent and seller, changing the price on MLS and any other advertising mediums
- Check email for inquiries
- Create a brochure; Refill brochures at the property
- Find out HOA information
- Input listing into MLS
- Market listing to other agents
- Notify other agents when offers are to be presented, how to present offers, when offers are accepted
- Order advertising for open house
- Order inspections
- Order sign up on property
- Pick up and deliver contracts, reports and disclosures
- Place lock box with key on property
- Prepare listing agreement contracts and disclosures (OK to use WINForms)
- Provide weekly marketing reports to client
- Set up website or online advertising
- Take pictures of property
- Track listing activity in the area of property and report to agent or client

MULTIPLE LISTING SERVICE (MLS)

Can Do

- **Input listings into MLS**
- **Monitor listings on MLS**
- Check the MLS system for new properties available for agent's buyer
- Change the status of a listing on the MLS from "Active" to "Pending" or "Sold"

OPEN HOUSE

Can Do

- **Assist real estate licensees**, with the principal's consent, at an open house intended for the public by:
 - **Placing signs**
 - **Setting up food**
 - **Opening the property to be viewed by prospective buyers**
 - **Greeting the public**

- **Providing factual information from or handing out preprinted materials that were prepared or reviewed and approved for use by a real estate licensee**
- Arranging appointments with the real estate licensee
- Assisting real estate licensees in a “broker open house” (i.e., open houses accessible only to real estate licensees)
- Transporting principals or related parties to the property.

Don't Do

- Cannot show property
- **Cannot discuss terms or conditions of a possible sale**
- Cannot discuss other features of the property, such as location, neighborhood, or schools
- Cannot engage in other conduct that “is used, designed, or structured for solicitation purposes”

RENTAL PROPERTY TRANSACTIONS

Can Do

- Resident manager or employees of a property management company that manages a residential apartment building, complex, and court under the supervision of a real estate licensee are permitted to show rental units, handle applications, accept security deposits or fees, and accept leases or agreements.

TRUST FUNDS

Can Do

- Accept, account for, or provide a receipt for trust funds received from a principal or a party to the transaction

SELLERS

Don't Do

The following terms should NOT be discussed by an assistant unless previously discussed between the agent and client and is part of known marketing:

- How many days does the seller want to close?
- Will the seller accept a lower offer?
- Does the seller want a rent back?
- Will the seller include....