



December 31, 2002

MEMORANDUM

TO: BROKERS-IN-CHARGE

RE: ADVANTAGES OF AN ALL-BROKER OFFICE

The North Carolina Real Estate License Law permits licensed NC salespersons to obtain a broker license simply by completing a 60-hour broker prelicense course. *No additional license examination is required!* During the past two years, thousands of salespersons have taken advantage of the opportunity to upgrade their salesperson licenses to broker licenses.

Do all your affiliated agents hold a broker license? If not, perhaps you should carefully consider the advantages of operating an all-broker office.

- **Better-Educated Agents.** Salespersons who complete the 60-hour broker prelicense course and obtain their broker licenses should be considerably more knowledgeable about many crucial aspects of real estate practice. Generally, a better-educated agent is in a position to provide more competent assistance and advice to clients and customers, which directly results in *better-served and more satisfied real estate consumers*. Better-educated agents also can more effectively represent their company and *reduce the company's risk* associated with negligent or improper conduct.
- **Reduced Broker-in-Charge Supervisory Responsibilities.** Under the North Carolina Real Estate License Law and Commission Rules, a broker-in-charge has a substantially higher level of responsibility for the supervision of affiliated salespersons than for the supervision of affiliated brokers. An all-broker office reduces the supervisory burden imposed on a broker-in-charge. Having only brokers in the office would seem to be increasingly important in view of this reduced supervisory burden and the trend toward agents performing more functions outside the office through the use of modern communications and computer technology.
- **Greater Prestige of an All-Broker Office and Broker Licensure.** It is logical to assume that real estate consumers and agents in other real estate offices may very well hold an all-broker office in higher regard than the typical office with both brokers and salespersons. Similarly, on an individual basis, brokers would more likely command a higher level of respect and confidence than salespersons.

If you still have salespersons under your supervision, you should encourage them to improve their knowledge and level of competence by taking the broker prelicense course and obtaining their broker licenses. Contact a Commission-approved school in your area today for a schedule of broker course offerings and require your salespersons to upgrade to a broker license as soon as possible. A list of approved schools is available on the Commission's website at www.ncrec.state.nc.us.