Agency CEO: Strategic Planner: Last modified: Susan Nicolson N/A 07/28/2025

Statewide Vision: An Arizona for everyone.

Agency Vision: The Arizona Department of Real Estate will serve to educate and proactively work with the real estate industry to better protect Arizona consumers and hold accountable licensees and unlicensed entities failing to meet statutory requirements and standards.

Agency Mission: Protect the public interest through licensure and regulation of the real estate profession in this state.

Agency Description: The Department regulates real estate licensing, licensed activities, and builder/developer sales of subdivided and unsubdivided lands, timeshares, condominiums, membership campgrounds, and cemeteries. It also administers the Homeowner's Association Dispute and Mediation Process, investigates consumer complaints, audits real estate brokerages, and approves and regulates real estate schools and instructors and courses.

Resource Assumptions: Enter Full-time	<u>FY</u>	FTEs	<u>GF</u>	<u>AF</u>	NAF	FED	<u>Total</u>
Employees (FTEs) and funding data by type (e.g. General fund (GF), appropriated funds (AF), non-appropriated funds (NAF), and federal funds	24	37.0	\$3,198.00	\$0.00	\$51.40	\$0.00	\$3,249.40
(FED). Include actuals for FY24 and approved for FYs 25 & 26	25	37.0	\$3,111.8	\$0.00	\$77.00	\$0.00	\$3,188.80
*Total reflects GF + AF + NAF. FED funding shown is broken out from NAF.	26	37.0	\$3,111.8	\$0.00	\$77.00	\$0.00	\$3,188.80

Progress Summary:

The Arizona Department of Real Estate (ADRE) has demonstrated strong, forward momentum on meeting and exceeding its goals on the strategic plan and anticipates continued progress this year. ADRE will continue our efforts to protect Arizonans by ensuring the fair, legal and ethical practice of ADRE's licensed practitioners. We accomplish this through education and oversight, in collaboration with our public, private and non-profit stakeholders. Last year ADRE established Memoranda of Understandings (MOUs) with several investigating bodies as part of our long term goal of monitoring and reducing violations committed by Arizona Licensees. We have also rolled out education requirements on deed fraud, water, and firewise to improve licensees ability to protect Arizonans in property transaction. Last year, ADRE was recognized by the Governor's Office for their work with the Attorney General's Office (AGO) on combating deed fraud which was selected as one of the "Top 10 Projects" in the State that is protecting and helping the people of Arizona.



Department of Real Estate (REA) 2025-2029 Strategic Plan

#	Agency Five-Year Outcomes	Start Year	Statewide Strategic/ Operational Priority	Status / Progress
1	By June 2029, ADRE will establish a system to monitor and identify fair housing law violations amongst Arizona Licensees.	2025	Housing and Human Services - Produce the Housing Affordability AZ Needs	Last year, ADRE met its goal of establishing data-sharing MOUs with 100% of private organizations enforcing fair housing in Arizona and are on track to have similar agreements signed with all public organization. As we are ahead of schedule, this outcome was updated to reflect the longer-term outcome of a comprehensive system which the previous outcome was building towards.
2	By June 2029, ADRE will require 100% of licensees renewing an active non-provisional license to obtain continuing education on Firewise USA(R) requirements.	2025	Resilience, Water, and the Environment -Healthy Forests and Grasslands to Prevent Fire	In FY25, ADRE developed and distributed fire safety course materials in collaboration with stakeholders, and established a continuing education requirement on fire safety for license renewals, effective January 1, 2025. Since then 97% of renewed licensees have completed the requirement representing just over 20% of current licensees as of June 23, 2025.
3	By June 2029, ADRE will require 100% of licensees renewing an active non-provisional license to complete Deed Fraud continuing education requirements.	2025	Housing and Human Services- Produce the Housing Affordability AZ Needs	In FY25, ADRE established a working group to assist in the development of a Deed Fraud Course materials to help licensees better identify various predatory and fraudulent practices. ADRE's partnership with and has Attorney General's Office to combat deed fraud earned the department a "Hobbs Highlight" award. Currently 57% renewals have completed this training (24% of current licensees).
4	By June 2029, ADRE will implement two improved licensing exams that better reflect candidates competency.	2026	Affordable and Thriving Economy - Quality Jobs	This new outcome aims to improve the real estate salesperson and broker licensing exams to be more applicable to the practice of real estate with vetted, and reliable questions that validate a candidate's competency to represent clients. FY25 saw the creation and completion of an item bank with over 900 Arizona state specific real estate questions in preparation for the creation of the new Arizona specific real estate exam.



Department of Real Estate (REA) 2025-2029 Strategic Plan

Current Annual Focus

Outcome #	FY26 Annual Objectives	Objective Metrics	Annual Initiatives		
1	1.1 By June 2026, ADRE will roll out a Fair Housing Advisory form for use in all real estate transactions. 1.2 By June 2026, ADRE will establish a process for using violation data to support fair housing continuing education.	1.1 % of roll out complete 1.2 % process milestones complete	1.1 Create the advisory form and education materials to support roll out. 1.1 Establish a process for ensuring accuracy of referrals on Fair Housing Advisory on a monthly basis. 1.2 Maintain necessary Intergovernmental Agreement (IGA) and MOUs to receive and provide information on fair housing violations or trends among Arizona licensees. 1.2 Train relevant ADRE staff on federal, state and local fair housing laws and how to recognize potential violations.		
2	2.1 By June 2026, launch a consumer disclosure form for use in residential real estate transactions educating on the positive impacts of a Firewise community.	2.1. % of Milestones Completed on Time	2.1. Create disclosure material.		
3	3.1 By June 2026, establish a core working group to investigate predatory practices.3.2 By June 2026, establish a way to track predatory practices. (Breakthrough)	3.1 % of plan to track predatory practices completed 3.2. % of plan on investigation practices completed	 3.1. Identify state and local partners to share intelligence. 3.1. Determine if MOUs/IGAs are required to share information. 3.1. Share completed draft of plan with identified partners. 3.2. Track practices which may be predatory by nature. 		
4	4.1 By June 2026, deliver new Salesperson Arizona specific real estate & general knowledge exams.	4.1. % of milestones complete	 4.1 Complete gap analysis on Arizona specific exam. 4.1. Distribute the curriculum to schools. 4.1. Test new questions in the question bank. 4.1. Create six unique test forms. 		

Current Annual Focus

Stakeholder Engagement Plan:

Internal: Leadership and managers will continue to work with teams to inform and develop buy in and best plans for implementation of overall strategic plan and localize portions to staff with opportunity to impact department's outcomes.

External: Department engages with industry partners at least guarterly through Department-scheduled and invitational speaking events. The Department hosts a quarterly Education Town Hall, quarterly Development Services Round Table and quarterly Advisory Board meeting. Both the Education Town Hall and the Advisory Board meeting are available in person and via Google Meets as well as recorded and posted to the Department's YouTube channel. The Department maintains 3 social media accounts (X, Facebook and LinkedIn) to quickly and easily engage with those licensees and associations most engaged in the industry. The Department is has a podcast Direct Real Talk with ADRE that has an education library available and covers our processes as well as relevant industry information. The Commissioner and Deputy Commissioner regularly attend external speaking events at various stakeholder locations which are available to book online through our website's speak request form. Finally, the Department possesses and is able to communicate through email directly with all licensees. In FY26 the Department will host numerous workshops related to projects conducted by the Real Estate Committee of the Arizona Mexico Commission which will be advertised on our social media platforms and website calendar, FY26 will also see the return of the Department's quarterly newsletter.

Communication Plan:

Internal: Department is a team of approximately 25 people. Leadership and managers will meet with and work directly with staff members to inform of changes and plans for the strategic plan and continue email communication to teams periodically and celebrate wins collectively.

External: Department has email for approximately 80,000 licensees, schools and associations and will engage the following methods to increase communication:

- Regular Meetings: Schedule regular internal meetings for updates and progress tracking.
- Email Updates: Provide email updates to external stakeholders on progress.
- Website Updates: Post updates and information on the ADRE website.
- Workshops/Webinars: Conduct workshops or webinars for licensees and the public on new processes and forms.
- Reports: Prepare regular reports for the Commissioner and relevant external agencies.
- Quarterly Newsletter