

## BROKER AUDIT DECLARATION (BAD)

Use this form to comply with the Broker Audit requirements of the Arizona Department of Real Estate.

Once complete, this application and additional required documents should be submitted through our [Message Center](#) or [Licensee Login](#).

DESIGNATED BROKER LICENSE	
Name:	License Number:

BUSINESS LICENSE		
Business Name:		
Phone:	License Number:	
Address of Record:		
City:	State:	ZIP:

BROKERAGE INFORMATION		
Is this a home office?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Number of salespersons and associate brokers licensed to the brokerage (do not include the DB):		
Number of associate brokers with delegated broker duties:		
Number of unlicensed full-time employees employed by the brokerage:		
Number of unlicensed part-time employees employed by the brokerage:		
Number of real estate teams associated with the brokerage:		
Average number of sales transactions handled per year:		
Average number of residential lease transactions handled per year:		
Average number of commercial lease transactions handled per year:		
The broker maintains one or more general (escrow) trust accounts (do not include property management trust accounts):	<input type="checkbox"/> Yes	<input type="checkbox"/> No
The broker maintains one or more property management trust accounts:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
The broker utilizes one or more off-site storage locations:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
The broker utilizes one or more transaction management systems	<input type="checkbox"/> Yes	<input type="checkbox"/> No
The broker utilizes one or more property management accounting systems:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
The broker utilizes one or more electronic storage systems owned by the broker:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
The broker utilizes one or more electronic storage systems not owned by the broker:	<input type="checkbox"/> Yes	<input type="checkbox"/> No

TYPE OF BUSINESS CONDUCTED	
<input type="checkbox"/> Residential Real Estate Sales	<input type="checkbox"/> Residential Property Management
<input type="checkbox"/> Commercial Sales and Leasing	<input type="checkbox"/> Commercial Property Management
<input type="checkbox"/> Referral Brokerage	<input type="checkbox"/> New Home Subdivision
<input type="checkbox"/> Business Brokerage	<input type="checkbox"/> Other Subdivisions/Unsubdivided Land
<input type="checkbox"/> Farm and Ranch	<input type="checkbox"/> Timeshare
<input type="checkbox"/> Other, list the other types of business conducted and transactions in the last 12 months:	

GENERAL/SALES/ERNEST TRUST ACCOUNTS	
<input type="checkbox"/> Check this box if this does not apply to this brokerage.	
Trust Account Title:	Financial Institution Name:
Financial Institution Address:	Account Number:

BROKER SUPERVISION AND AUDIT CONTROL			
Broker has a written supervision policy and procedure manual: <ul style="list-style-type: none"> <li>A.A.C. R4-28-1103.</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

PROPERTY MANAGEMENT PROPERTIES	
<b>Residential</b>	
Number of licensees performing residential property management activities for brokerage:	
Number of single family residences:	
Number of multi-family units:	
Number of doors:	
Number of other:	
<b>Commercial</b>	
Number of licensees performing commercial property management activities for brokerage:	
Number of shopping centers:	
Number of commercial/industrial buildings:	
Number of other:	

PROPERTY MANAGEMENT TRUST ACCOUNT			
A descriptive receipt is maintained showing the disposition of all funds handled on behalf of a principal, identifying or showing the transaction, date, amount and parties: • A.R.S. § 32- 2151(B)(1)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Trust account records include a properly descriptive Receipts and Disbursements Journal and Client Ledger for each transaction: • A.R.S. § 32-2151(B)(2)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Trust account Journals and Client Ledgers are in balance with each other and are reconciled monthly with bank statements: • A.R.S. § 32-2151(B)(2)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker removes interest earnings in trust accounts at least every 12 months: • A.R.S. § 32- 2151(B)(2)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker immediately removes any amount in excess of \$3000 of the broker's money in a trust account: • A.R.S. § 32-2151(B)(2)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Authorized signers on trust accounts are limited to licensees and unlicensed persons in the direct employ of the broker: • A.R.S. § 32-2174(C)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Broker deposits owner's monies into the property management trust account or directly into the owner's account within 3 banking days: • A.R.S. §§ 32-2151(C), 32-2153(A)(9) and 32- 2174(B) and (D)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
All trust accounts are descriptively designated as trust accounts: • A.R.S. § 32-2174(A)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
A final accounting of a terminated property management agreement is provided to the owner: • A.R.S. § 32-2173(C)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker reviews the trust account reconciliations on a monthly basis and verifies the review by affixing his or her signature and date: • R4-28-1103(C)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

PROPERTY MANAGEMENT TRUST ACCOUNT INFORMATION	
<b>If the Broker has more than one (1) Property Management Trust Account, submit a separate list of accounts to Auditing via the Department's Message Center.</b>	
Trust Account Title:	Financial Institution Name:
Financial Institution Address:	Account Number:

OFF-SITE STORAGE LOCATIONS	
Name of Storage Facility:	Address:

TRANSACTION MANAGEMENT SYSTEMS		
System:	Provider Address:	Dates Used:
System:	Provider Address:	Dates Used:

PROPERTY MANAGEMENT ACCOUNTING SYSTEMS		
System:	Provider Address:	Dates Used:
System:	Provider Address:	Dates Used:

ELECTRONIC STORAGE SYSTEMS BROKER OWNED		
System:	Provider Address:	Dates Used:

ELECTRONIC STORAGE SYSTEMS BROKER NOT OWNED		
System:	Provider Address:	Dates Used:

GENERAL RECORDS COMPLIANCE			
Signage is property affixed at the main entrance to the brokerage office and is clearly visible to all entering the office. The sign identifies the licensed name of the brokerage or the DBA and the name of the Designated Broker as licensed with the department: <ul style="list-style-type: none"> <li>A.R.S. §§ 32- 2126(B), 32-2127(B) and A.A.C. R4-28-502(E)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The employing broker (if applicable) and the designated broker license certificates are prominently displayed in a public location: <ul style="list-style-type: none"> <li>A.R.S. § 32-2128</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
All salesperson's and associate broker's licenses are current: <ul style="list-style-type: none"> <li>A.R.S. §§ 32-2128, 32-2155(A) and A.A.C. R4-28-306(A)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
If records are stored off-site, the Department has been notified in writing of their location in Arizona: <ul style="list-style-type: none"> <li>A.R.S. §§ 32-2151(B)(2), 32-2151.01(A), 32-2175(A) and 32-2194.06(B)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Transaction records are kept for 5 years after termination of transaction included but not limited to copies of earnest monies receipts, closing statements showing all receipts, disbursements and adjustments, sales contracts and, if applicable, copies of employment (listing) agreements: <ul style="list-style-type: none"> <li>A.R.S. §§ 32-2151.01(A) and 32-2153(A)(18)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
All employee records are kept for 5 years after termination: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151.01(A)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Signage for all branch offices conforms only to the signage requirements of the main office: <ul style="list-style-type: none"> <li>A.R.S. §§ 32-2126(B), 32-2127(B) and A.A.C. R4-28-502(E)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

BROKER REVIEW			
The designated broker reviews, dates and initials all employment agreements, sales contracts, leases (as applicable) and similar documents within 10 business days of execution: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151.01(G)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The designated broker supervises all advertising: <ul style="list-style-type: none"> <li>A.A.C. R4-28-502(F)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

BROKER REVIEW			
If an electronic management system is used, the broker has maintained an action log confirming the broker's review of all applicable documents within 10 business days: • A.R.S. § 32-2151.01(G) and SPS 2010.01.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

EMPLOYMENT AND COMPENSATION			
The broker has paid compensation only to actively and properly licensed salespersons, associate brokers and brokerages: • A.R.S. § 32-2155(A) and (B)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker has not paid compensation to an agent's corporation, LLC or general partnership, other than a properly licensed professional corporation (PC) or professional limited liability corporation (PLLC): • A.R.S. § 32-2125(B) and 32-2155(A)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
All salespersons and associate brokers are licensed and receive compensation only as natural licensees, PCs or PLLCs: • A.R.S. §§ 32-2125(B) and 32-2155(A)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Brokerage and licensees are not paid for negotiating loans, unless they meet all of the regulatory requirements: • A.R.S. §§ 32-2101(47)(k) and 32-2155(C)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
All legal real estate related rebates, compensation sharing or profit participation are paid through the brokerage: • A.R.S. §§ 32-2153(A)(7) and 32-2155(A) and (B)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The agents of the brokerage work exclusively for this brokerage and do not represent another brokerage, either through substituting for a vacationing agent of another brokerage, the use of another broker's transaction coordinator or continuing the service of a transaction after leaving a former brokerage, or similar activity: • A.R.S. § 32-2153(A)(8)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Unlicensed personal assistants and other unlicensed employees receive compensation based on their work, unrelated to the success of a transaction: • A.R.S. § 32-2121(A)(6) and (9)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
If unlicensed telemarketers are used, they are in the employ of the brokerage: • A.R.S. §§ 32-2121(A)(10) and 32-2197.17(H)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

DISCLOSURES			
The broker or the broker's agents have disclosed their status as licensees in their ads and signage (owner agent): • A.R.S. § 32-2126(B) and A.A.C. R4-28-502(B)(E) and (K)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker or the broker's agents have not acted directly or indirectly without informing the other parties of any prospective interest or conflict in the transaction: • A.R.S. § 32-2153(A)(2) and A.A.C. R4-28-1101(E)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker or the broker's agents have obtained written permission from owners before profiting from the transfer or assignment of listings or property management agreements to another brokerage: • A.R.S. §§ 32-2173(A)(1)(j), 32-2151.02(B) and A.A.C. R4-28-1101(G)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker or broker's agents disclose in writing any information they possess that materially and adversely affects the consideration to be paid: • A.A.C. R4-28-1101(B)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker or broker's agents obtain informed consent of the parties before representing more than one party to a transaction or receiving compensation from more than one party: • A.R.S. 32-2153(A)(2) and A.A.C. R4-28-1101(F)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

DISCLOSURES			
The broker or broker's agents obtain written permission prior to acting outside of their area of expertise: <ul style="list-style-type: none"> <li>A.A.C. R4-28-1101(H)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker or broker's agents fulfill their duties to clients, including (but not limited to) protecting and promoting client's interests; expeditiously performing all acts resulting from an agreement; not allowing a controversy with another licensee to jeopardize the transaction; and other duties: <ul style="list-style-type: none"> <li>A.A.C. R4-28-1101(A) through (K)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

SALES/LEASE TRANSACTION RECORDS			
The broker maintains legible copies of transaction documents required by law to be kept for 5 years after termination (close) of a transaction: <ul style="list-style-type: none"> <li>A.R.S. §§ 32-2151.01(A) and 32-2153(A)(18)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
A copy of all documentation handled by the brokerage or its agents is available to the Department on request for 5 years after every terminated transaction: <ul style="list-style-type: none"> <li>A.R.S. §§ 32-2108(A), 32-2151.01(A) and 32-2175(H)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Nonresidential leases are kept for 5 years from termination: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151.01(A) and (H)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Rejected offers are kept for 1 year, or 5 years if a binding contract ultimately results: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151.01</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Broker transaction files are kept chronologically or by other systematic means or other systematic manner that is easily accessible by the commissioner or commissioner's representatives: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151.01(E)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

EARNEST DEPOSITS			
The broker and the designated broker's licensees immediately place all funds received in connection with a real estate transaction into a neutral escrow depository or acceptable broker trust fund account in Arizona: <ul style="list-style-type: none"> <li>A.R.S. §§ 32-2151.01(D) and 32-2151(A)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

GENERAL/SALES/EARNEST TRUST ACCOUNTS			
The broker maintains a descriptive receipt showing the disposition of all trust account funds handled on behalf of a principal, identifying or showing the transaction, date, amount and parties: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151(B)(1)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Trust account records include a properly descriptive Receipts and Disbursements Journal and Client Ledger for each transaction: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151(B)(2)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Trust account journals and client ledgers are in balance with each other and are reconciled monthly with bank statements: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151(B)(2)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker removes interest earnings in a trust account at least every 12 months: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151(B)(2)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The broker removes any amount in excess of \$3000 of the broker's money in a trust account immediately: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151(B)(2)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Authorized signers on trust accounts are limited to licensees in the employ of the broker: <ul style="list-style-type: none"> <li>A.R.S. § 32-2151.01(B)</li> </ul>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

DELEGATION OF AUTHORITY			
<b>If applicable, there is a current and properly detailed delegation letter in the broker's files for each appropriate person, acting on behalf of the broker to:</b>			
Review, date and initial employment agreements, contracts and similar documents: • A.R.S. § 32-2151.01(G)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Act as the branch manager for a licensed branch office: • A.A.C. R4-28-304(B)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Be a signer on a trust account: • A.R.S. §§ 32-2151.01(B) and 32-2174(C)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Act on behalf of the Designated Broker when the broker is unable to act within 24 hours: • A.R.S. 32-2127(D)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Be a signer on the general account or other account of the brokerage for payment of commissions: • A.A.C. R4-28-304(B)(1)(d)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

BROKER SUPERVISION POLICY			
<b>The written Broker Supervision Policy addresses pursuant to R4-28-1103:</b>			
Transactions requiring a salesperson's or broker's license.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Use of disclosure forms, contracts, and employment agreements and documents affecting the rights or obligations of parties.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Filing, storage and maintaining documentation.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Handling of trust funds.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Use of unlicensed assistants by a salesperson or broker.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
The delegation of authority to others to act on the Broker's behalf.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
How the Broker familiarizes the agents with the requirements of state, federal and local laws relating to the practice of real estate.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Advertising and marketing of the brokerage and its agents and others.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Establishing a system for monitoring compliance with the broker's policies, rules, procedures and systems contained in the Broker Supervision Policy.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
If applicable, specific guidelines for the formation and management of teams.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

PROPERTY MANAGEMENT AGREEMENTS			
<b>Each property management agreement entered into by the brokerage:</b>			
Is drafted in clear and unambiguous language: • A.R.S. § 32-2173(A)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Specifies a beginning and ending date: • A.R.S. § 32-2173(A)(1)(c)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Is executed by the appropriate parties: • A.R.S. § 32-2173(A)(1)(b)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
States all material terms and conditions of the property management firm's services, obligations, duties and responsibilities to the property owner: • A.R.S. § 32-2173(A)(1)(a)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Contains mutually agreeable cancellation terms: • A.R.S. § 32-2173(A)(1)(d)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A



PROPERTY MANAGEMENT AGREEMENTS			
Provides for the manner of disposition of all owner's monies collected by the broker: • A.R.S. § 32-2173(A)(1)(e)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Provides for the disposition and allocation of interest earned on trust account monies: • A.R.S. § 32-2173(A)(1)(h)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
States the terms and conditions of broker compensation: • A.R.S. § 32-2173(A)(1)(a) and (i)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Specifies the type and frequency of reports to the owner: • A.R.S. § 32-2173(A)(1)(f) and (C)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

PROPERTY MANAGEMENT AGREEMENTS (continued)			
<b>A.R.S. § 32-2173(A)(2) provides that the following MAY be included in the agreement. If in the property management agreement answer Yes or No, if not, answer N/A.</b>			
States the amount and purpose of monies held by the broker as an operating reserve for emergency and other purposes: • A.R.S. § 32-2173(A)(1)(g)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Not be assigned to another licensee or licensed entity without express written consent of the property owner: • A.R.S. § 32-2173(A)(1)(j)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Includes an automatic renewal with at least 30 days advance written broker's notice to the client: • A.R.S. § 32-2173(A)(2)(a)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Provides for reasonable liquidated damages for early termination of the agreement: • A.R.S. § 32-2173(A)(2)(b)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Identifies the licensees and unlicensed persons in the broker's direct employ who are authorized signers on the property management trust account: • A.R.S. § 32-2173(A)(2)(c)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Requires more than one signature on the property management trust account: • A.R.S. § 32- 2173(A)(2)(d)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

PROPERTY MANAGEMENT RECORDS			
All financial records are kept for 3 years from their date: • A.R.S. § 32-2175(C)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Property management agreements are kept for 5 years from their termination: • A.R.S. § 32- 2151.01(A)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Residential leases are kept for the earlier of 1 year from termination of the lease, or until turned over to the owner or owner's broker at termination of the property management agreement: • A.R.S. § 32-2175(A)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Nonresidential leases are in individual folders filed chronologically or by other systematic manner: • A.R.S. 32-2175(F)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Property management agreements are filed using an orderly system easily accessible to the Department: • A.R.S. § 32-2175(F)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Records of finder fees paid are kept for 3 years from their date (applies only to brokers managing multi-family or apartment complexes: • A.R.S. § 32-2175(B)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A



#### ADDITIONAL INFORMATION

Comments:

#### DESIGNATED BROKER ATTESTATION

As the Designated Broker, I have personally completed or personally overseen the completion of this Audit Declaration and have personally reviewed and verified the responses in the Audit Declaration. I understand the importance of the broker's duty to exercise reasonable supervision and control in assuring broker compliance with the law and have made diligent efforts to comply in every respect.

I hereby declare and affirm all responses are true, full, complete and accurate to the best of my knowledge. I further understand that any false, misleading or incomplete answers to this Audit Declaration may be construed as a violation of A.R.S. § 32-2153(A)(3), (A)(17), (A)(21), (A)(22) and/or (B)(8).

I understand that it is my obligation to comply with the statutes, rules, and regulations set forth by Arizona Law, and that such laws may be referenced at [azleg.gov](http://azleg.gov).

Designated Broker Signature:

Date:

### **Notice to Applicant Pursuant to A.R.S. § 41-1030**

An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

This section may be enforced in a private civil action and relief may be awarded against the State. The court may award reasonable attorney fees, damages and all fees associated with the license application to a party that prevails in an action against the state for a violation of this section.

A State employee may not intentionally or knowingly violate this section. A violation of this section is cause for disciplinary action or dismissal pursuant to the Agency's adopted personnel policy.

This section does not abrogate the immunity provided by section 12-820.01 or 12-820.02

### **Notice to Applicant Pursuant to A.R.S. § 41-1093**

An agency shall limit all occupational regulations to regulations that are demonstrated to be necessary to specifically fulfill a public health, safety or welfare concern. Pursuant to sections 41-1093.02 and 41-1093.03. Arizona Revised statutes, you have the right to petition this agency to repeal or modify the occupational regulation or bring an action in a court of general jurisdiction to challenge the occupational regulation and to ensure compliance with section 41-1093.01, Arizona Revised Statutes.

### **Notice to Applicant Pursuant to A.R.S. § 41-1093.08**

Pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 11, an applicant, licensee, registrant or certificate holder may petition the Office of Administrative Hearings to request a review of a denial, suspension or revocation of a license, registration or certificate for a prior criminal offense.