



ARIZONA DEPARTMENT OF REAL ESTATE (ADRE)

Licensing Division

www.azre.gov

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BRANCH OFFICE APPLICATION/CHANGE (FORM LI-219) INSTRUCTIONS

Use Form LI-219 to: ☐ Open a Branch Office ☐ Reactivate a Branch Office ☐ Close a Branch Office

- **FEES MAY CHANGE WITHOUT NOTICE:** Visit ADRE website at www.azre.gov for a current fee schedule. Fee is determined by Designated Broker's (DB) expiration date. When a DB change has been made, an expiration date realignment may constitute fees.
- **CLOSING A BRANCH OFFICE:** Sever, then hire all licensees to other branch. Fees may be required. May be completed online at [click here](#).
- **DESIGNATED BROKER DELEGATION OF AUTHORITY:** Submit "Delegation of Authority" (Form LI-204) using the ADRE Message Center at www.azre.gov.
- **SALESPERSON APPOINTED AS BRANCH MANAGER:** A DB or Sole Proprietor may not delegate authority to a salesperson as branch manager to perform acts for which a broker's license is required. A salesperson branch manager may perform any office management tasks that are not statutory duties of the employing broker. The salesperson branch manager may be a signor on a branch office account. Salespersons who act as Branch Managers have LIMITED authority.
- **ASSOCIATE BROKER APPOINTED AS BRANCH MANAGER:** A Designated Broker or Sole Proprietor may delegate (by written authorization) full authority to an associate broker who manages a branch office, including signing commission checks. The associate broker may be a signatory on a broker trust account connected to the business generated by the office managed by the associate broker. The associate broker may also sign commission checks drawn from a property management trust account, review and initial contracts and supervise the activity of salespersons and associate brokers. Associate Brokers who act as a Branch Manager may have either LIMITED or FULL authority as duly appointed by the Designated Broker. Any delegation by Designated Broker shall never relieve the Designated Broker from responsibility for the activity of salesperson and/or brokers. Any full authority delegated to an Associate Broker requires that the Associate Broker provide proof of completion of the Nine (9) hour Broker Management Clinic pursuant to A.R.S. §32-2136.
- **DELEGATION OF BRANCH MANAGERS (MUST SUBMIT FORM LI-204)** - See below for powers, which may be vested in branch managers, pursuant to A.A.C. R4-28-304 and A.R.S. §§ 32-2127, 32-2151.01 (G).

R4-28-304. Branch Office; Branch Office Manager

A. To obtain a branch office license, the designated broker shall submit to the Department before operating the branch office the following information for each branch office of the employing broker on the Application for Branch Office form:

1. The name, date, and signature of the designated broker;
2. The license number and license expiration date of the employing broker;
3. The name, address, telephone, and license number of the main office;
4. The type of employing broker's license;
5. The employing broker's dba name, if applicable;
6. The address, telephone number, and fax number, if any, of the branch office; and
7. The name and license status of the salesperson or broker who is the branch office manager and the authority granted to the branch office manager, including any designation of authority under subsection (B).

B. Branch office manager. A designated broker may authorize in writing an associate broker or salesperson to act as a branch office manager to perform any of the following duties of the designated broker at the branch office. This designation does not relieve the designated broker from any responsibilities. Upon change of the branch manager, the designated broker shall submit a new authorization to the Department within 10 days of the change and shall retain a copy in the broker's main office for five years.

1. If the branch manager is an associate broker, the associate broker may, when dealing with branch office transactions:

- a. Review and initial contracts,
- b. Supervise the activity of salespersons and associate brokers,
- c. Hire or sever a salesperson or associate broker,
- d. Sign compensation checks,
- e. Be a signor on the branch office trust account and property management trust account,
- f. Write checks from the broker's trust accounts, and
- g. Be responsible for the handling of all trust account funds administered by the branch manager.

2. If the branch manager is a salesperson, the salesperson may, when dealing with branch office transactions:

- a. Perform office management tasks that are not statutory duties of the employing broker, and
- b. Be a signor on the broker's trust account and property management trust account.

C. Temporary office. An additional license is not required for a temporary office established for the original on-site sale of properties within the immediate area of a subdivision or unsubdivided land.

1. The broker named in the application for public report shall supervise operation of the temporary office to sell or lease the subdivided or unsubdivided land.
2. The broker shall display the subdivision or unsubdivided land name and the licensed name of the employing broker marketing the development in a prominent manner at the entrance to the temporary office.

This form is available in alternate formats by contacting the Operations Office at 602-771-7760. Questions regarding this communication can be sent to Jim Knupp, ADRE Deputy Commissioner, at 602-771-7769 or online through the ADRE Message Center.