



NORTH CAROLINA REAL ESTATE COMMISSION  
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## License Application Requirements & Procedures for Application for Original Licensure of a Private Real Estate School (REC 3.02)

### Application Process

#### 1. PRIOR to completing an application:

- a. Review [General Statute 93A-Article 3](#) and [Commission Rules 58H .0100, .0200 and .0300](#) regarding requirements for licensing and operation of private real estate schools plus the standards for courses and instructors.
- b. Review the **Commission-prescribed Course Syllabus for each course to be offered.**  
All syllabi are posted on the Commission's website ([ncrec.gov](http://ncrec.gov)) under the Education tab.
- c. **Select a proposed school name which complies with Rule [58H .0203\(b\)](#).**  
Generic names such as "The Real Estate Education Center" or "The Real Estate Academy" are not acceptable. Names such as the "Smith School of Real Estate" or "ABC Real Estate Academy" are acceptable. The full school name must be used in all school publications and advertising.
- d. **If a business entity will own the school, legally create the entity and register it with the NC Secretary of State's office (if applicable).**  
Corporations, limited liability companies, and limited partnerships are required by North Carolina law to be registered with the NC Secretary of State's Office and to maintain that registration on current status. Sole proprietorships, general partnerships, and other business entities are not required to register with the NC Secretary of State.  
  
The applicant must provide the entity's Secretary of State Identification number (SOSID) on the school application. If the corporation, limited liability company, or limited partnership is a "foreign" business entity (not domiciled in NC), then the entity must obtain a "Certificate of Authority to Transact Business in North Carolina" from the office of the NC Secretary of State. Commission staff will verify compliance with these requirements.
- e. **Select a proposed school director who satisfies the requirements of [Rule 58H .0204](#).**  
A criminal background report for the previous seven (7) years must be submitted with the school application. To order a criminal background report, contact [CriminalRecordCheck.com](http://CriminalRecordCheck.com) (CRC) or call 877-272-0266.
- f. **Obtain a CURRENT fire inspection conducted by the appropriate fire department for each proposed classroom location.**  
If the inspection was conducted more than a year prior to submission of your school application, an official statement from the inspecting authority regarding the effective period of their inspection report (e.g., 2 years or 3 years) will be necessary. If any violations were noted in the original inspection report, you must attach a subsequent inspection report that shows corrected violations or official communication from the inspector certifying that noted violations have been corrected. Applicant must certify that school facilities and equipment are in compliance with all applicable local, state and federal law and regulations regarding health, safety, and welfare, including the Americans with Disabilities Act.
- g. **Draft a proposed school bulletin in accordance with [G.S. 93A-34\(c\)\(5\)](#) and [Rule 58H .0205](#).**  
A customizable [School Bulletin Template](#) is provided for your use, if desired. An unsatisfactory bulletin

is one of the major causes of delays in the licensing process. The bulletin must address all points required by the law and rule in a clear and complete manner.

**h. Obtain a \$5,000 private real estate school licensing bond (a performance bond) from a bonding/guaranty company using Commission Form REC 3.81.** [See [G.S. 93A-36](#)]. The name of the school owner and the name of the school shown on the bond must be identical to the name of the school owner and the name of the school on the school application form. A copy of the Power of Attorney authorizing a party to sign on behalf of the Surety / Bonding Company must be attached to the Private Real Estate Performance Bond form. Improper completion of the bond form is a common reason for delay in obtaining a license. **Do NOT record the bond with the county clerk of superior court until you are specifically instructed to do so by Commission staff.**

**i. Select Instructors.**

Instructor candidates must apply and be approved by the Commission independently of school licensure. See [Rule 58H .0302](#) regarding instructor approval requirements. Individuals seeking instructor approval should contact the Commission's Education and Licensing Division for guidance.

A list of currently approved Prelicensing, Postlicensing, and Update instructors may be requested from the Commission's Education and Licensing Division.

**j. Select a CE Coordinator if your school will be sponsoring the Update course.**

See [Rule 58H .0403](#) regarding CE Coordinator responsibilities.

- 2. Complete the Application for Original Approval of Private Real Estate School [REC 3.02] and attach all required documentation.**
- 3. Submit the application to the North Carolina Real Estate Commission. First submissions frequently do not meet all requirements for approval; consequently, it is strongly suggested that you submit your application a minimum of 60 days prior to any proposed course start date.**

### **Application Review Process**

1. Please allow a minimum of 30 calendar days after receipt by the Commission for this review.
2. If deficiencies in the application are discovered, you will be notified of those deficiencies and given reasonable time to correct them. If the noted deficiencies are not corrected within the time prescribed, your license application will be considered withdrawn and your application fees will be forfeited.
3. Once you have corrected any deficiencies, the Commission will instruct you (in writing) to file your licensing performance bond with the clerk of superior court in the county where your school's administrative office is located. At that time, you should take the original bond to the clerk's office to be filed. Send the original bond with the clerk's "FILED" stamp on it to the Commission, retaining a copy of the filed bond for your own records.
4. Once all requirements for licensure have been satisfied, your school license will be issued.

### **Important Note**

No applicant for a private real estate school license may begin advertising proposed courses to be conducted by a proposed new school until granted specific written permission to do so by Commission staff. Under no circumstances may a proposed new school enroll students or commence classes prior to issuance of the school license.

### **Inquiries**

Any questions regarding private real estate school licensing should be directed to the Commission's Education and Examination Officer at (919) 875-3700.