



Montana Property Management Licensing

Briefing for Legislative Study – HJ 55

House Joint Resolution 55 (HJ 55) requests an interim study of property management licensing standards, education requirements, and related costs in Montana, including how they compare to other states and whether they influence housing costs.

Why Property Management Licensing Exists

Property managers operate at the intersection of **housing law, financial management, and consumer protection**.

Licensed property managers commonly handle:

- Security deposits and trust accounts
- Compliance with the **Montana Residential Landlord and Tenant Act**
- Lease enforcement and legal notices, tenant disputes and eviction procedures
- Maintenance oversight and habitability issues
- Fair housing compliance

Licensing ensures property managers receive **basic training and operate under regulatory oversight**, including a complaint and disciplinary process administered by the **Montana Department of Labor & Industry**.

Montana Licensing Requirements

Property owners in Montana **are not required to hire a property manager** and may manage their own rental properties.

However, individuals who **manage rental property on behalf of others** must obtain a property management license.

The MT licensing course covers key topics including:

- Montana landlord-tenant law
- Trust accounting
- Professional standards and ethics
- Property management operations

HJ 55 Key Takeaways

- Property managers handle **legal compliance, financial trust accounts, and tenant protections**.
- Licensing provides **education, professional standards, and regulatory oversight**.
- **Licensing property managers is the national norm**.
- Education costs represent **only pennies per tenant per month**.

National Context

A license to manage property is the national norm.

47 states and Washington, D.C. require a license to manage rental property for others.

To become a licensed property manager in Montana:

- Minimum age: **18 years**
- **30-hour pre-license education course**
- **80% passing score** on a written exam
- Continuing education required to maintain licensure

Montana's requirements to obtain a property manager license are similar to those found in other states. Examples include:

State	Education	Passing Score	Minimum Age
Montana	30 hours	80%	18
Oregon	60 hours	75%	18
South Carolina	30 hours	75%	18

Montana's education requirements are **consistent with many states and lower than some.**

Licensing Education Costs

Continuing Education

Typical annual continuing education cost per licensee: **≈ \$190 per year**

Example scenario, a property manager oversees:

- **75 rental units**
- **2 tenants per unit (average)**
- **150 tenants total**

Annual cost per tenant:

$\$190 \div 150 \text{ tenants} = \$1.27 \text{ per tenant, per year}$

Monthly cost per tenant:

$\$1.27 \div 12 \text{ months} = \$0.11 \text{ per tenant per month}$

≈ Eleven cents per month

Initial Licensing Education

Typical one-time pre-license course cost:

≈ \$500

If spread across the same 150 tenants over one year:

- **\$3.33 per tenant per year**
- **≈ \$0.28 per tenant per month**

Because licenses are typically held for many years, the actual cost impact per tenant is **even smaller.**



Sarnen Steinbarth

Founder & Instructor – Montana Property Education

Sarnen Steinbarth is the founder and lead instructor of **Montana Property Education**, where he has taught **property management licensing and continuing education courses for more than a decade**, helping prepare property managers across the state for licensure and professional practice.



Relevant background and experience include:

- **Founder and Instructor, Montana Property Education** – teaching both **pre-licensing and continuing education courses for property managers for over 10 years**
- **Former instructor trainer for the Montana Board of Realty Regulation**, hired to help train other property management instructors in the state
- **Former owner of a property management company in Helena**, managing **over 250 rental units**
- **Founder and former CEO of TurboTenant**, one of the largest landlord management software platforms, used by millions of landlords and tenants
- Personally **bought and sold more than 100 rental units**, managing those properties directly
- **Property management expert witness** in multiple legal proceedings in **Montana and nationally**
- Responded to a request for industry input from the **United States Senate Committee on Banking, Housing, and Urban Affairs**
- **Contributor to Forbes Real Estate**, writing about property management topics
- Have managed properties **in four U.S. states**
- **Licensed real estate broker in Montana** and formerly licensed property manager