



COURSE OBJECTIVES

1 INTRODUCTION TO THE REAL ESTATE BUSINESS

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

List the various careers available in the real estate industry;

Describe the different classifications and characteristics real property;

Describe the types of housing available for purchase or rental;

Explain the factors of supply and demand in the real estate market;

Identify the advantages and disadvantages of investing in real estate; and

Describe the objectives and financial concepts involved in the investment process.

Define the following key terms:

associate licensee, broker, code of ethics, market, real estate licensee, sales associate, sales person, supply and demand

2 REAL PROPERTY AND THE LAW

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Discuss the concepts of land and ownership rights in real property;

Distinguish between real and personal property;

Explain the basic economic and physical characteristics of real property; and

Discuss the limitations of the real estate professional under the law.

Define the following key terms:

accession, accretion, air rights, annexation, appurtenance, area preference, avulsion, bundle of legal rights, chattel, emblements, erosion, fixture, improvement, land, littoral rights, manufactured housing, nonhomogeneity, personal property, prior appropriation, real estate, real property, riparian rights, severance, situs, subsurface rights, surface right, trade fixture, water rights

3 INTERESTS IN REAL ESTATE

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Identify and describe the various types of estates;

Explain the difference between liens and other types of encumbrances; and

Explain the limitations on private property rights for the welfare of the public.

Define the following key terms:

condemnation, covenants conditions and restrictions, deed restrictions, easement, easement appurtenant, easement by necessity, easement by prescription, easement in gross, eminent domain, encroachment, encumbrance, escheat, estate in land, fee simple, fee simple absolute, fee simple defeasible, fee simple determinable, fee simple subject to a condition subsequent, freehold estate, future interest, homestead, inverse condemnation, legal life estate, license, lien, life estate, police power, pur autre vie, remainder interest, reversionary interest, taking, taxation

4 FORMS OF REAL ESTATE OWNERSHIP

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Explain the distinction between ownership in severalty and co-ownership;

Describe the various forms of co-ownership in real estate;

Describe the key elements of trusts, partnerships, corporations, and LLCs; and

Identify the types of property ownership for common-interest properties.

Define the following key terms:

common elements, community property, condominium, cooperative, coownership, corporation, general partnership, joint tenancy, Limited Liability Company, limited partnership, partition, partnership, PITT, right of survivorship, separate property, severalty, tenancy by the entirety, tenancy in common, timeshare, townhouse, trust

5 LAND DESCRIPTION

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Identify and explain the methods used for describing real estate; and

Explain the process involved in identifying and measuring property rights including those above and below the surface.

Define the following key terms:

Air lots, base lines, benchmarks, datum, legal description, lot-and-block (recorded plat) system, metes-and- bounds description, monuments, plat map, point of beginning (POB) point of ending (POE), principal meridians, ranges, rectangular (government) survey system, sections, survey, township lines, townships, township tiers, useable square feet, rentable square feet, liveable square feet

6 TRANSFER OF TITLE

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Describe the fundamental concepts of title as it relates to the ownership of land, and the processes and instruments used to apply these concepts;

Describe the circumstances and conditions which may provide for the involuntary transfer of title; and

Explain testate, intestate, wills, and the probate process.

Define the following key terms:

Acknowledgement, adverse possession, bargain and sale deed, deed, deed of trust, devise, general warranty deed, grantee, granting clause, grantor, habendum clause, heirs, intestate, involuntary alienation, probate, quit claim deed, reconveyance deed, special warranty deed, testate, testator, title, transfer tax, trustee's deed, voluntary alienation, will.

7 TITLE RECORDS

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Explain the public recordation system and its importance to the title insurer; and

Explain the benefits of title insurance and the difference between an owner's policy and a lender's policy.

Define the following key terms:

abstract of title, action to quiet title, actual notice, attorney's opinion of title, certificate of title, chain of title, constructive notice, marketable title, priority, recording, subrogation, title insurance, title search, Torrens system

8 REAL ESTATE BROKERAGE + WEST VIRGINIA REAL ESTATE LICENSE ACT & REGULATIONS

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Describe the fundamentals of real estate brokerage and licensing laws;

Describe the purpose and basic elements of antitrust laws including price fixing, boycotts, and allocation of markets;

Discuss the services provided to real estate practitioners by professional organizations, including the creation and enforcement of ethical codes; and

Explain how real estate professionals should use technology in real estate practice to comply with laws and ethical standards.

Explain the purpose and regulatory outline of the West Virginia Real Estate License ACT; WV Code §30-40, WV CSR§ 174-1- Requirements in Licensing Real Estate, WV CSR§ 174-2- Schedule of Fees, WV CSR§ 174-3- Requirements in Approval and Registration of Real Estate Courses. Course Providers and Instructors and WV CSR§ 174-4- Procedure for the Investigation and Resolution of Complaints and Contested Case Hearings

Define the following key terms:

Antitrust laws, boycott, brokerage, commission, disclaimers, electronic contracting, Electronic Signatures in Global and National Commerce Act (E-Sign), employee, independent contractor, internet data exchange policy, minimum level of services, National Do Not Call Registry, price-fixing, procuring cause, ready, willing, and able buyer, Uniform Electronic Transactions Act (UETA), Vicarious Liability

9 REAL ESTATE AGENCY

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Explain agency concepts and terminology;

Explain the difference between express and implied agency;

Define the types of agency and identify which, if any, are involved in real estate practice; and

Describe and explain an agent's duties to third-party customers, especially regarding misstatements, misrepresentation, and potential fraud.

Define the following key terms:

Agency, agent, buyer's agent, client, customer, designated agent, designated agency, dual agent, express agency, express agreement, fiduciary, fiduciary relationship, fraud, general agent, implied agency, implied agreement, latent defect, law of agency, listing agreement, negligent, misrepresentation, nonagent, principal, puffing, special agent, universal agent

10 CLIENT REPRESENTATION AGREEMENTS

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Describe the different types of listing agreements and how they may be terminated;

Describe the listing presentation and the information needed for a listing agreement;

Identify the listing agreement terms and the responsibilities of both parties; and

Describe the types of buyer representation agreements and how they may be terminated.

Define the following key terms:

buyer representation agreement, comparative market analysis, exclusive agency listing, exclusive buyer representation agreement, exclusive right to sell listing, multiple listing service, net listing, open listing

11 REAL ESTATE CONTRACTS

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Describe the essential elements of a contract;

Explain the various means by which a contract may be enforced, terminated, assigned, or replaced; and

Describe the primary written agreements and forms used in real estate sales and leasing.

Define the following key terms:

Addendum, amendment, assignment, bilateral contract, breach of contract, consideration, contingencies, contract, counteroffer, disclosure, earnest money, equitable title, executed contract, executory contract, express contract, implied contract, land contract, liquidated contract, novation, offer and acceptance, option, rescission, statute of frauds, suit for specific performance, "time is of the essence", unenforceable contract, unilateral contract, valid contract, void contract, voidable contract.

12 REAL ESTATE FINANCING

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Describe the factors that contribute to housing affordability, including mortgage terms and ability to pay;

Describe the terms, conditions, and use of the promissory note;

Explain the elements and use of security instruments, and describe the mortgage and deed of trust and the roles, rights, and obligations of the parties involved in each;

Describe the various types of real estate financing;

Explain the distinction between a judicial foreclosure and a non-judicial foreclosure, and the process involved in each; and

Describe the various consumer protections related to homeownership.

Define the following key terms:

alienation clause, amortized loan, assumption of mortgage, balloon payment, beneficiary, comprehensive loss underwriting exchange, debt to income, deed in lieu of foreclosure, deed of reconveyance, deed of trust, defeasance clause, deficiency judgment, discount points, equity, foreclosure, growing equity mortgage, homeowners insurance, hypothecation, index, interest, interest only loan, lien theory, loan origination fee, loan to value ratio, margin, mortgage, mortgagee, mortgagor, negative amortization, negotiable instrument, note, novation, PITI, prepayment penalty, promissory note, release deed, reverse mortgage, satisfaction of mortgage, short sale, straight loan, subject to, swing loan (bridge loan) title theory, trustor, usury

13 GOVERNMENT INVOLVEMENT IN REAL ESTATE FINANCING

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Explain the primary and secondary mortgage marketplaces, the roles of the parties in each, and the impact on the parties of government influence;

Describe the difference between conventional, government, and private loan programs available for real estate financing;

Describe the various alternative and special purpose loan programs which can meet a borrower's special needs; and

Explain the primary government regulations which govern real estate lending and provide consumer protection against unfair lending practices.

Define the following key terms:

blanket loan, buydown, certificate of reasonable value, community reinvestment act of 1977, construction loan, conventional loan, equal credit opportunity act, Fannie Mae, Farmer Mac, FDIC, Federal Reserve system, FHA insured loan, Freddie Mac, Ginnie Mae, government-sponsored enterprises, home equity loan, mortgage insurance premium, Office of the Comptroller of the Currency, open end loan, package loan, primary mortgage market, private mortgage insurance, real estate settlement procedures act, regulations Z, sale and lease back, secondary mortgage market, triggering terms, truth in lending act, VA guaranteed loan, wraparound loan

14 CLOSING THE REAL ESTATE TRANSACTION

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Describe the steps involved to achieve conveyance of clear and marketable title, including compliance with all applicable laws;

Describe closing procedures and the respective roles of all parties;

Explain the Real Estate Settlement Procedures Act (RESPA) and the Mortgage Disclosure Improvement Act (MDIA);

Describe and explain all buyer and seller charges and credits contained in the closing statement;

Explain the financial entries and mathematical calculations contained in the closing statement; and

Review and confirm the accuracy of a closing statement.

Define the following key terms:

Accrued items, closing, closing statement, credit, debit, escrow accounts, escrow closing, good faith estimate (GFE), impound accounts, Mortgage Disclosure Improvement Act (MDIA), prepaid items,

prorations, Real Estate Settlement Procedures Act (RESPA), survey, Uniform Settlement Statement (HUD- 1).

15 REAL ESTATE TAXES AND OTHER LIENS

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Describe the characteristics of statutory and equitable liens;

Explain general taxes and special assessment taxes; and

Explain real property liens, including judgments and taxes, as well as the protection and limitations they offer the respective parties.

Define the following key terms:

Ad valorem tax, assessment, attachment, equalization factor, equitable lien, equitable right of redemption, estate tax, general liens, general real estate tax, inheritance tax, involuntary lien. judgment, lis pendens, mechanic's lien, mill, mortgage lien, redemption, special assessments, specific liens, statutory liens, subordination agreement, tax liens, tax sale, vendor's lien, voluntary lien, writ of attachment

16 REAL ESTATE APPRAISAL

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Explain appraisal concepts and the process employed by the appraiser;

Differentiate between value and price; and

Describe the three approaches to value.

Define the following key terms:

Accrued depreciation, anticipation, appraisal, assemblage, broker's price opinion, capitalization rate, change, competitive market analysis (CMA), competition, contribution, cost approach, depreciation, economic life, external obsolescence, functional obsolescence, gross income multiplier (GIM), gross rent multiplier (GRM), highest and best use, income approach, law of diminishing return, law of increasing returns, market data approach, market value, net operating income (NOI), physical deterioration, plottage, progression, reconciliation, regression, replacement cost new, reproduction

cost, sales comparison approach, sales price, substitution, supply and demand, Uniform Standards of Professional Appraisal Practice (USPAP), Value

17 LEASES

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Explain the essential elements of leasehold interests;

Describe the essential terms of a lease agreement;

Distinguish the various types of leases; and

Explain how the lease may be terminated and discharged and the remedies available to the parties for its breach

Define the following key terms:

Actual eviction, assignment, constructive eviction, estate at sufferance, estate at will, estate for years, estate from period to period, gross lease, ground lease, holdover tenancy, lease, leasehold estate, lease purchase, lessee, lessor. Month-to-month tenancy, net lease, nondisturbance clause, percentage lease, purchase option, renewal option, reversionary right, right of first refusal, sale-and-leaseback, security deposit, sublease.

18 FAIR HOUSING

LEARNING OBJECTIVES: UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE

Explain the significance of the Civil Rights Act of 1866 to equal opportunity in housing;

Describe and explain the various federal laws which protect Americans from unfair housing practices;

Describe blockbusting, steering, redlining, and other abusive housing practices;

List the various recourses available to the aggrieved person who believes illegal discrimination has occurred, including acts of real estate professionals; and

Describe the importance to real estate professionals and the public of understanding and complying with fair housing laws.

Define the following key terms:

administrative law judge, Americans with Disabilities Act, blockbusting, civil rights act of 1866, conciliation, Department of Housing and Urban Development, fair housing act, fair housing amendments act, housing for older person's act, redlining, steering, title eight of the civil rights act of 1968

19 PROPERTY MANAGEMENT

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Describe the various property management assignments available in the property management field and the role of the property manager in each;

Explain the essential elements of the property management agreement;

List the primary responsibilities of the property manager;

Describe the various federal laws which the property manager must know and follow in the performance of management duties; and

Describe the implementation of risk management procedures to insure the safety and security of a managed property's tenants as well as to protect the landlord from liability and loss.

Define the following key terms:

Budget comparison statement, cash flow report, corrective maintenance, management agreement, management plan, multiperil policies, operating budget, preventive maintenance, profit and loss statement, property manager, risk management, routine maintenance, surety bonds, tenant improvements, workers' compensation acts.

20 LAND-USE CONTROLS AND PROPERTY DEVELOPMENT

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Explain the concept of police power and the provisions under which it protects the public health, safety, and welfare;

Explain zoning, ordinances, permits, and property use;

Define building codes as they relate to the requirements and restrictions placed on construction standards;

Explain the issues and regulations involved in subdivisions;

Explain non-governmental (private) land use restrictions: covenants, conditions, and restrictions (CC&Rs); and

Describe the various laws and agencies which regulate land sales..

Define the following key terms:

Buffer zone, building code, certificate of occupancy, comprehensive plan, conditional-use permit covenants, conditions, and restrictions (CC&Rs) density zoning, developer, enabling acts, inverse condemnation, Interstate Land Sales Full Disclosure Act, nonconforming use, planned unit development (PUD), plat, restrictive covenants, subdivider, variance, zoning ordinances

21 ENVIRONMENTAL ISSUES AND THE REAL ESTATE TRANSACTION

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Identify the basic environmental hazards the real estate professional should be aware of for the protection of client interests as well as the personal risk of liability for nondisclosure;

Describe groundwater, water table, and the provisions of the Safe Drinking Water Act;

Describe the issues involved with underground storage tanks, and the associated legal requirements facing the property owner;

Explain the regulation involved in the creation and operation of waste disposal sites and in the control of brownfields;

List the various federal laws which protect the public from uncontrolled hazardous waste, and the liability issues facing those who violate any of these laws; and

Explain the responsibilities and duties of real estate professionals regarding environmental issues.

Define the following key terms:

Asbestos, brownfields, carbon monoxide (CO), chlorofluorocarbons (CFCs), Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), electromagnetic fields (EMS) encapsulation, environmental impact statement (EIS), environmental site assessment (ESA), formaldehyde, groundwater, lead, mold, polychlorinated biphenyls (PCBs), radon, Small Business Liability Relief and Brownfields Revitalization Act, Superfund Amendments and Reauthorization Act (SARA), underground storage tanks (USTs), urea-formaldehyde foam insulation (UFFI), water table, Wetlands Protection

UPON COMPLETION OF THIS SECTION THE LEARNER WILL BE ABLE TO:

Perform calculations using math wheels

Perform the basic math concepts involving Fractions, Decimals, and Percentages, Measurement, Profit and Loss, Taxation, Equity, Loan-to-Value Ratios, Discount points, Down payment/ amount to be financed

Perform the calculations for transactions Property Tax calculations, Prorations, Commission and commission splits, Seller's proceeds of sale, Buyer funds needed at closing, Transfer fees, conveyance tax, revenue stamps, PITI (Principal, Interest, Taxes, and Insurance) payment.