



Real Estate 63-Hour Sales Associate Pre-Licensing Course

Topics Covered & Learning Objectives

Lesson 1: The Real Estate Business

- Describe the various activities of real estate brokerage
- Distinguish among the five major sales specialties
- Identify the role of property managers
- Explain the appraisal process and the role of the appraiser
- Understand the mortgage process and the role of mortgage loan originator
- Explain the three phases of development and construction
- Distinguish among the three categories of residential construction

Lesson 2: Real Estate License Law And Qualifications For Licensure

- Identify the qualifications for a salesperson's license
- Describe the application requirements for licensure including nonresident application requirements
- Explain the importance of responding accurately and completely to the background information questions on the licensure application
- Illustrate the background check procedure conducted by the DBPR
- Describe the education requirement for pre- and post-license education and continuing education
- Distinguish among the various license categories
- Identify services of real estate where licensure is required
- Recognize actions that constitute unlicensed activity
- Recognize exemptions from real estate licensure
- Distinguish between registration and licensure
- Explain mutual recognition agreements

Lesson 3: Real Estate License Law And Commission Rules

- Describe the composition, appointment and member qualifications of the Florida Real Estate Commission
- Define the powers and duties of the Commission
- Explain the different licensure statuses
- Distinguish between active and inactive license status
- Describe the regulations regarding involuntarily inactive status
- Distinguish between multiple and group licenses



Lesson 4: Authorized Relationships, Duties And Disclosure

- Describe which provisions of the Brokerage Relationship Disclosure Act apply only to residential real estate sales and list types of real estate activities that are exempt from the disclosure requirements
- Define residential transaction
- Distinguish among nonrepresentation, single agent and transaction broker
- List and describe the duties owed in the various authorized relationships
- Compare and contrast the fiduciary duties owed in a single agent relationship and the duties owed in a transaction broker relationship
- Describe the disclosure procedures for the various authorized relationships
- Describe the required content and format of the various disclosure forms
- Explain the procedure for transition from a single agent to a transaction broker
- Describe the disclosure requirements for non-residential transactions where the buyer and seller have assets of \$1 million or more
- List the events that will cause an agency relationship to be terminated
- Distinguish between and explain the disclosure requirements and forms pursuant to Florida Statute
- Identify Information That is Subject to Public Record

Lesson 5: Real Estate Brokerage Activities and Procedures

- Identify the requirements for real estate brokerage office(s) and the types of business entities that may register
- Explain what determines whether a temporary shelter must be registered as a branch office
- List the requirements related to sign regulation
- List the requirements related to the regulation of advertising by real estate brokers
- Explain the term *immediately* as it applies to earnest money deposits
- Describe the four settlement procedures available to a broker who has received conflicting demands or who has a good-faith doubt as to who is entitled to disputed funds
- Explain the rule regarding the advertisement of rental property information or lists or negotiation of rentals
- Describe the obligations placed on a salesperson who changes employers and/or address

Lesson 6: Violations Of License Law, Penalties And Procedures

- Explain the procedures involved in the reporting of violations, the investigation of complaints and the conduct of hearings
- Describe the elements of a valid complaint
- Describe the composition of the probable-cause panel



- Recognize events that would cause a license application to be denied
- Recognize actions that would cause a license to be subject to suspension or revocation
- Identify individuals who would be eligible and the procedure to seek reimbursement from the Real Estate Recovery Fund
- Identify individuals who are not qualified to make a claim for recovery from the Real Estate Recovery Fund
- Describe the monetary limits imposed by law on the Real Estate Recovery Fund
- Explain the penalty for a first and second degree misdemeanor and what real estate activities are first degree misdemeanors
- Provide Examples of Unlicensed Practice of Law
- Illustrate Presumptions for a Party Performing Real Estate Services

Lesson 7: Federal And State Laws Pertaining To Real Estate

- Explain the significance of the Jones vs. Mayer court case
- List the real estate included under the different fair housing acts
- List the groups protected under the 1968 Fair Housing Act
- List the property exempt from the 1968 Fair Housing Act
- Understand the provisions of the 1988 Fair Housing Amendment
- Describe the types of discriminatory acts that are prohibited under the 1968 Fair Housing Act
- Describe the HUD process for handling a complaint under the 1968 Fair Housing Act
- Describe the objectives and major provisions of the Americans with Disabilities Act
- Describe the major provisions of the Florida Residential Landlord and Tenant Act
- Describe the major provisions of the Interstate Land Sales Disclosure Act

Lesson 8: Property Rights: Estates And Tenancies; Condominiums, Cooperatives, Community Development Districts, Homeowner Associations, And Time-Sharing

- Define *real property* based on the definition in Chapter 475, F.S.
- List and explain the physical components of real property
- Explain the four tests courts use to determine if an item is a fixture
- Distinguish between real and personal property
- Describe the bundle of rights associated with real property ownership
- List the principal types of estates (tenancies) and describe their characteristics
- Describe the features associated with the Florida homestead law
- Distinguish between cooperatives, condominiums and time-shares and describe the four main documents associated with condominiums

Lesson 9: Title, Deeds And Ownership Restrictions



- Differentiate between voluntary and involuntary alienation
- Explain the various methods of acquiring title to real property and describe the conditions necessary to acquire real property by adverse possession
- Distinguish between actual notice and constructive notice
- Distinguish between an abstract of title and a chain of title
- Explain the different types of title insurance
- Describe the parts of a deed and the requirements of a valid deed
- List and describe the four types of statutory deeds and the legal requirements for deeds
- List and describe the various types of governmental and private restrictions on ownership of real property
- Distinguish among the various types of leases

Lesson 10: Legal Descriptions

- Describe the purpose for legal descriptions
- Understand the licensee's role and responsibilities as it pertains to legal descriptions
- Explain and distinguish among the three types of legal descriptions
- Describe the process of creating a legal description using the metes-and-bounds method
- Locate a township by township line and range
- Locate a particular section within a township
- Understand how to subdivide a section
- Calculate the number of acres in a parcel based on the legal, and convert to square feet
- Explain the use of assessor's parcel numbers
- Apply the measurements associated with checks, townships and sections

Lesson 11: Real Estate Contracts

- List and describe the essentials of a contract
- Distinguish among formal, parole, bilateral, unilateral, implied, expressed, executory and executed contracts
- Describe the various ways in which an offer is terminated
- Describe the various methods of terminating a contract
- Explain the remedies for breach of a contract
- Describe the effect of the Statute of Frauds and the Statute of Limitations
- Describe the elements of an option
- Differentiate among the various types of listings
- Explain and describe the various disclosures required in a real estate contract
- Recognize what constitutes fraud
- Recognize what constitutes culpable negligence



Lesson 12: Residential Mortgages

- Distinguish between title theory and lien theory
- Describe the essential elements of the mortgage instrument and the note
- Describe the various features of a mortgage including down payment, loan-to-value ratio, equity, interest, loan servicing, escrow account, PITI, discount points and loan origination fee
- Explain assignment of a mortgage and the purpose of an estoppel certificate
- Explain the foreclosure process and distinguish between judicial and nonjudicial foreclosure
- Describe the mortgagor's and mortgagee's rights in a foreclosure
- Calculate loan-to-value ratio
- Explain the use of discount points and calculate approximate yield on a loan
- Distinguish among the various methods of purchasing mortgaged property

Lesson 13: Types Of Mortgages And Sources Of Financing

- Describe the mechanics of an adjustable rate mortgage and the components of an ARM
- Describe the features of an amortized mortgage and amortize a level-payment plan mortgage when given the principal amount, the interest rate and the monthly payment amount
- Distinguish among the various types of mortgages
- Describe the characteristics of FHA mortgages and common FHA loan programs
- Identify the guarantee feature of VA mortgage loans and the characteristics of VA loan programs
- Explain the process of qualifying for a loan and how to calculate qualifying ratios
- Distinguish among the primary sources of home financing
- Describe the role of the secondary mortgage market and know the features of the major agencies active in the secondary market
- Describe the major provisions of the federal laws regarding fair credit and lending procedures
- Recognize and avoid mortgage fraud

Lesson 14: Real Estate Related Computations And Closing Of Transactions

- Compute the sales commission
- Calculate the percent of profit or loss, given the original cost of the investment, the sale price and the dollar amount of profit or loss
- Define settlement and title closing
- List the preliminary steps to a closing
- Prorate the buyer's and seller's expenses
- Calculate the dollar amount of transfer taxes on deeds, mortgages and notes



- Allocate taxes and fees to the proper parties and compute individual costs
- Explain the rules of thumb for closing statement entries
- Explain the major sections of the Uniform Settlement Statement
- Demonstrate ability to read and check the Uniform Settlement Statement for errors

Lesson 15: The Real Estate Markets and Analysis

- Describe the physical characteristics of real estate
- Describe the economic characteristics of real estate
- Identify the factors that influence demand
- Identify the factors that influence supply
- Distinguish among different ways of interpreting market conditions
- Demonstrate understanding of the different market indicators

Lesson 16: Real Estate Appraisal

- Describe federal and state regulations pertaining to appraising
- Identify the appraisers fiduciary relationship
- Identify the economic and physical characteristics of real estate that affect market value
- Explain what the Uniform Standards of Professional Appraisal Practice (USPAP) is and how it affects the appraisal process of real property
- Distinguish among the various types of value
- Define market value and describe its underlying assumptions
- Distinguish among value, price and cost
- Describe the four characteristics of value
- Distinguish among the principles of value
- Differentiate among the three approaches to estimating the value of real property
- Estimate value of subject property using Comparable Sales Approach
- Estimate value of subject property using Cost Approach
- Estimate value of subject property using Income Approach
- Reconcile three approaches to establish final value estimate
- Calculate value using gross multiplier analysis
- Explain how to prepare a Comparative Market Analysis (CMA), comparing and contrasting with sales comparison approach

Lesson 17: Real Estate Investments and Business Opportunity Brokerage

- Distinguish among the different types of real estate investments
- Identify the advantages and disadvantages of investing in real estate
- Distinguish among the various types of risk
- Explain the importance of investment analysis



- Describe the similarities and differences between real estate brokerage and business brokerage
- Describe the types of expertise required in business brokerage
- Distinguish among the methods of appraising businesses
- Describe the steps in the sale of a business

Lesson 18: Taxes Affecting Real Estate

- Distinguish among immune, exempt and partially exempt property
- Describe the various personal exemptions available to qualified owners of homestead property
- Compute the property tax on a specific parcel, given the current tax rate, assessed value and eligible exemptions
- List the steps involved in the tax appeal procedure
- Describe the purpose of Florida's Green Belt Law
- Calculate the cost of a special assessment, given the conditions and amounts involved
- Describe the tax advantages of home ownership
- Explain how to determine taxable income of investment real estate
- Distinguish between installment sales and like-kind exchange

Lesson 19: Planning And Zoning

- Describe the composition and authority of the local planning agency
- Explain the purpose of land-use controls and the role of zoning ordinances
- Identify the provisions of Florida's comprehensive plan and the Growth Management Act
- Distinguish among the five general zoning classifications
- Distinguish among zoning ordinances, building codes and health ordinances
- Explain the purpose of a variance, special exception and a nonconforming use
- Calculate the number of lots available for development, given the total number of acres contained in a parcel, the percentage of land reserved for streets and other facilities and the minimum number of square feet per lot
- Describe the characteristics of a planned unit development
- Understand the basic provisions of the national flood insurance program
- Describe the impact Comprehensive Environmental Response Compensation and Liability Act (CERCLA)
- Explain the various environmental hazards associated with real estate