

BUTTE COLLEGE

COURSE OUTLINE

I. CATALOG DESCRIPTION

RLS 25 - Real Estate Practices

3 Unit(s)

Prerequisite(s): RLS 20 (or concurrent enrollment)

Recommended Prep: NONE

Transfer Status: CSU

51 hours Lecture

This course provides students with necessary skills to engage in the day-to-day activities of a licensed real estate salesperson. Students are provided with a practical, legal and ethical foundation regarding social interactions; prospecting and obtaining listings; selling and advertising techniques; negotiating; financing and completing standardized real estate forms. This course satisfies the California Department of Real Estate (DRE) requirement that students pass a "Real Estate Practices" course prior to taking both the Real Estate Salesperson and Broker License Exams.

II. OBJECTIVES

Upon successful completion of this course, the student will be able to:

- A. Identify various employment opportunities in real estate, including real estate agency relationships between broker and salesperson.
- B. Identify and evaluate legal, professional and ethical considerations impacting real estate professional, including issues such as mandatory disclosures, fair housing and trust funds.
- C. Apply the real estate prospecting process to secure buyers and sellers.
- D. Describe the required content included in each component of standard real estate listing and purchase agreements.
- E. Use the process of property evaluation for marketing purposes and obtain a salable listing.
- F. Explain the methods of advertising and marketing for various types of properties.
- G. Identify the elements involved in real estate financing and perform necessary calculations in order to complete real estate transactions.
- H. Demonstrate how to close a sale by communicating effectively, overcoming objections, and negotiating for the seller's signature on a listing agreement and/or the purchaser's signature on a sales agreement.

III. COURSE CONTENT

A. Unit Titles/Suggested Time Schedule

Lecture	
<u>Topics</u>	<u>Hours</u>
1. Getting Started in Real Estate	3.00
2. Ethics, Fair Housing, Trust Funds and Other Legal Issues	3.00
3. Mandatory Disclosures	4.00
4. Prospecting and Business Development	3.00
5. Listing Presentation Package	4.00
6. Listing Presentations	3.00
7. Servicing the Listing	3.00
8. Advertising	3.00
9. The Buyer and the Property Showing	3.00
10. Obtaining the Offer and Creating the Sales Agreement	4.00
11. From Offer to Closing	4.00

12. Real Estate Financing	4.00
13. Escrow and Title Insurance	4.00
14. Taxation	3.00
15. Property Management and Leasing	3.00
Total Hours	51.00

IV. METHODS OF INSTRUCTION

- A. Lecture
- B. Instructor Demonstrations
- C. Group Discussions
- D. Guest Speakers
- E. Field Trips
- F. Homework: Students are required to complete two hours of outside-of-class homework for each hour of lecture
- G. Discussion
- H. Case analyses
- I. Role Play

V. METHODS OF EVALUATION

- A. Exams/Tests
- B. Quizzes
- C. Oral Presentation
- D. Projects
- E. Homework
- F. Class participation

VI. EXAMPLES OF ASSIGNMENTS

- A. Reading Assignments
 - 1. Read the text information about real estate financing. In preparation for the California Real Estate licensing exam, use a calculator to solve problems involving Principal, Interest, Taxes and Insurance (PITI) and interest only payment options; amortization; combo loans; (Adjustable Rate Mortgages) ARMs; and rent vs. buy comparisons.
 - 2. Read the text information pertaining to statutes and regulations relating to the real estate industry, including those pertaining to mandatory disclosures. Identify and describe the components of mandatory disclosure forms in preparation for class discussion and role play.
- B. Writing Assignments
 - 1. Design a 3 page prospecting plan for getting new listings, using the report format provided.
 - 2. Select a residential property (1-4 units), research then write a 3 page report summarizing property management and leasing options.
- C. Out-of-Class Assignments
 - 1. Prepare a seller's net sheet and a buyer's net sheet (2 pages, total), based on estimates of closing costs, commissions, interest, proration, title insurance fees, property and income taxes.
 - 2. Create a 35-40 page listing proposal report and presentation. Provide details about (and sample materials showing) how you will market and show the property and maintain weekly client contact. Describe for the seller the steps in the process from offer to closing; and financing options and the financing process.

VII. RECOMMENDED MATERIALS OF INSTRUCTION

Textbooks:

- A. Herd, R.L. and Southstone, B.A.. California Real Estate Practice. 2nd Edition. Cengage Learning, 2011.
- B. Pivar, W.H., Anderson, L. and Otto, D.S.. California Real Estate Practice. 7th Edition. Dearborn, 2010.

Materials Other Than Textbooks:

- A. Appropriate supplementary materials, as appropriate

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