

## National and State Examination Specifications Salesperson Course Outline Checklist

Instructor: \_\_\_\_\_

School: \_\_\_\_\_

Textbook(s): \_\_\_\_\_

Course Topic	Textbook Page Number(s)	Course Session	√
<b>1. Listing Property</b>			
<b>A. Listing</b>			
1. Legal description of property			
2. Calculation of lot size			
3. Calculation of physical dimensions of structure			
4. Appurtenances (e.g., easements and water rights)			
5. Utilities (types and availability)			
6. Determine or obtain type of construction			
7. Encumbrances (e.g., liens, encroachments, restrictions)			
8. Compliance with building codes			
9. Ownership of record			
10. Homeowners association documents and expenses			
11. Brokerage fee			
12. Property taxes			
<b>B. Assessment of Property Value</b>			
1. Location			
2. Anticipated changes (e.g., zoning and use)			
3. Depreciation			
4. Deterioration (e.g., physical)			
5. Obsolescence (e.g., usefulness, outdated characteristics)			
6. Improvements (e.g., additions)			
7. Economic trends			
8. Market data			
<b>C. Services to the Seller</b>			
1. Responsibilities of the licensee and the listing firm			
2. Explain the concept of property subdivision			
3. Inquire about hidden defects known by the owner			
4. Information about required disclosures (e.g., lead based paint)			
5. Property included in and excluded from sale (e.g., land, minerals, water, crops, fixtures)			
6. Personal property and real property differences			
7. Net proceed estimation			
8. Completion of listing agreement, provision to seller, explanation			
9. Determination that parties holding title have signed listing agreement			
10. Explain showing of the house and ways to safeguard property			
11. Describe methods of marketing property			
12. Presentation of offers to the seller			
13. Property tax information			
14. Develop and maintain transaction files			
15. Deed restrictions and covenants			
16. Forms of ownership interests in real estate, issues related to conveyance of real property			
17. Fair housing laws			
18. Comparative market analysis - sales comparison approach			
19. Comparative market analysis - income derived from property use			

Course Topic	Textbook Page Number(s)	Course Session	√
20. Independent appraisal necessity			
21. Determine when inspections are necessary			
22. Non-ownership interests in real property (e.g., leasehold interests of tenants)			
23. Planning and zoning (e.g., variance, zoning changes, and special study zones such as floods and geological hazards)			
<b>2. Selling Property</b>			
<b>A. Services to the Buyer</b>			
1. Relationship and responsibilities of licensees and selling firm to buyer			
2. Rights of ownership (e.g., bundle of rights)			
3. Types of ownership (e.g., joint tenancy and tenancy in common)			
4. Determination of buyer's price range and eligibility for various types of financing			
5. Identification of property that meets buyers needs and specifications			
6. Current market conditions			
7. Review and choose properties to show to prospective buyers			
8. Characteristics of property			
9. Material facts concerning property (e.g., taxes, zoning, building codes, and other land use restrictions)			
10. Physical condition of property (e.g., defects and environmental hazards)			
11. Psychological impact related to property (e.g., murder or suicide)			
12. Income tax implications of home ownership			
13. Tax implications for real estate investments			
14. Required disclosure statements			
15. Sales contract forms and provisions, including contingencies			
16. Recommendation that buyer seek legal counsel			
17. Preparation of offers and counteroffers			
18. Presentation of offers and counteroffers			
19. Planning and zoning (e.g., variance, zoning changes, and special study zones such as floods and geological hazards)			
20. Availability of home protection plans (e.g., home warranties)			
21. Need for insurance (e.g., fire, hazard, liability)			
22. Policy for complying with fair housing laws			
<b>B. Advising Buyers of Outside Services</b>			
1. Inspection reports			
2. Survey reports			
3. Appraisal reports			
4. Environmental reports			
<b>3. Property Management</b>			
<b>A. Leasing and Management</b>			
1. Negotiation of property management agreements			
2. Negotiation of lease agreements used in property management			
3. Preparation of rental and lease agreements			
4. Explanation of rental and lease agreements			
5. Methods of marketing property			
6. Rental market evaluation			
7. Disclosure of material facts to lessee			
8. Obtaining tenants			
9. Showing property to prospective tenants			
10. Occupancy terms			
11. Applicant screening according to laws and regulations			
12. Complaints and conflict resolution among tenants			
13. Prorating of rents and leases			

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14. Operating budgets			
15. Trust accounts			
16. Financial statements for owners			
17. Income, expenses, and rate of return			
18. Environmental and safety hazards			
19. Compliance with federal requirements (e.g., ADA, fair housing, lead-based paint disclosures)			
20. Eviction proceedings			
21. Maintenance and repair management			
22. Fees, security deposits, and rent			
23. Insurance coverage to protect tenant and owner			
<b>4. Settlement/Transfer of Ownership</b>			
<b>A. Tax Issues</b>			
1. Tax implications of interest expenses			
2. Real property taxes			
3. Tax shelters			
4. Capital improvements			
5. Property taxation (e.g., ad valorem, special assessments)			
6. Tax deferred exchanges			
<b>B. Titles</b>			
1. Need for title search			
2. Title insurance (e.g., owner and mortgagee)			
3. Title problems			
4. Legal procedures (e.g., quiet title, foreclosure, bankruptcy, declaratory judgment)			
5. Preparation of title abstracts			
6. Liens and order of priority (e.g., mortgages, trust deeds, construction/mechanics liens, judgments by court)			
7. Importance of recording			
<b>C. Settlement Procedures</b>			
1. Purposes and procedures of settlement			
2. Obligations of settlement agent			
3. Calculations regarding proration/prepayment			
4. Warranties associated with deeds (e.g., grant, quitclaim)			
5. Settlement statement (HUD-1 form)			
6. Other settlement documents (e.g., deed, bill of sale, note, deed of trust)			
7. Real Estate Settlement Procedures Act			
8. Transfer tax			
<b>D. Completion of the Transaction</b>			
1. Negotiations between buyers and sellers leading to an agreement			
2. Contract requirements and fulfillment of contingencies leading to closing			
3. Federal statutory requirements (related to closing procedures)			
4. Rights of home ownership (e.g., homestead, rights of husband and wife)			
5. Rights of others related to property (e.g., adverse possession, adjoining owners, encroachments)			
6. Nature and types of common interest ownership (e.g., condominium, planned unit development, cooperative, townhouse)			
7. Eminent domain proceedings			
8. Legal proceedings against property (e.g., attachments and notice of pending legal action)			
9. Determine if securities law applies and provide referrals			

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10. Situations where experts are required (e.g., financial planning and legal advice)			
11. Closing statements (e.g., calculate amount owed by buyer and net to seller)			
<b>5. Financing</b>			
<b>A. Sources of Financing</b>			
1. Institutional (e.g., savings and loans, banks, mortgage brokers)			
2. Seller financing (e.g., land contract, purchase money mortgage)			
3. Assumption of financing			
4. Other sources of financing			
<b>B. Types of Loans</b>			
1. Security for loans (e.g., trust deeds, land contracts, mortgages)			
2. Repayment methods (e.g., adjustable rate mortgage, fully/partially/nonamortized, renegotiated rate)			
3. Forms of financing (such as FHA, VA, FmHA, conventional loan)			
4. Secondary mortgage markets (e.g., Fannie Mae, FHLMC, GNMA)			
5. Other types of mortgage loans (e.g., wraparound, blanket, package)			
6. Down payment assistance programs			
<b>C. Terms and Conditions</b>			
1. Compliance with provisions of federal regulations (e.g., Truth-in-Lending Act, Equal Credit Opportunity Act)			
2. Loan origination costs (appraisal fee, credit reports, points)			
3. Lender requirements (e.g., property insurance, escrow, deposits, underwriting criteria)			
4. Conditional approval			
5. Default			
6. Foreclosure and redemption rights			
7. Nonrecourse provision			
<b>D. Common Clauses and Terms in Mortgage Instruments</b>			
1. Clauses and terms in mortgage (e.g., prepayment, interest rates, release, due-on-sale, subordination)			
2. Escalation			
3. Acceleration			
<b>6. Professional Responsibilities/Fair Practice/Administrative</b>			
1. Complete and accurate records of business transactions			
2. Keep informed of market trends, availability of financing, rates, and conditions of obtaining credit			
3. Resolving misunderstandings among parties to real estate transactions			
4. Commissions from sales of real estate			

<b>ALABAMA STATE CONTENT OUTLINE</b>			
<b>1. The Real Estate Commission</b>			
A. Purpose (Article 1)			
B. Composition (Commissioners, Administration, Staff)			
<b>2. Definitions (Section 34-27-2)</b>			
<b>3. Licensing Requirements</b>			
A. Activities which require a license and those who are exempt			
B. Cobrokering			
C. Qualifications for a license			
D. Renewal of a license			
E. Continuing Education			
F. Post License Education			
G. Temporary and Original Salesperson Licenses			

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<b>4. License Status</b>			
A. Transferring a license			
B. Inactive Status			
C. Reactivation of license			
<b>5. Broker Licenses, Company Licenses, and Place of Business</b>			
A. Issuance of company and branch office licenses			
B. Issuance of broker licenses			
C. Who may serve as qualifying broker			
D. Responsibilities of qualifying broker			
E. Termination of qualifying broker status			
F. Serving as qualifying broker for more than one company			
G. Temporary qualifying broker			
H. Associate broker status			
I. Operating from home			
<b>6. Recovery Fund</b>			
A. Purpose of the fund			
B. Payment into the fund			
C. Payment from the fund			
<b>7. Disciplinary Actions and Process</b>			
A. Complaints			
B. Hearings			
C. Disciplinary Actions			
D. Rehearing			
E. Appeals			
<b>8. Estimated Closing Statement</b>			
<b>9. Trust Funds</b>			
<b>10. RECAD</b>			
<b>11. Violations which may result in disciplinary actions</b>			
A. Misrepresentation and dishonest dealings			
1. Failure to disclose known defects that affect health and safety			
B. Inducing a party to break a contract			
C. Advertising			
D. Listing Agreements			
E. Failure to give proper disclosure			
F. Keeping appropriate records			
G. Rebates			
H. Paying or receiving commissions from unlicensed persons			
I. Bad Checks			
J. Failure to inform Commission of suit/judgment/other disposition			
K. Lotteries			
L. Handling of documents			
M. Violation of rule or order of Commission			
N. Offers			