

BINGO!

Find a classmate that fits one of the attributes or descriptions in the BINGO card below. Have them initial or sign the square. Find a different person for each attribute until you have BINGO!

Has graduated high school within the last 5 years	Has a tattoo	Is a cat person	Runs for fun	Has been to multiple countries outside of the U.S.
Has more than 2 children	Likes Reality TV	Has served in the military	Is changing careers to do Real Estate	Is left handed
Is a dog person	Clemson Fan	Free Space	Gamecock Fan	Loves to read
Loves to cook	Played a sport in college	Has lived in 5 different cities or more	Never flown in an airplane	Has a family member already in Real Estate
Has a weird hidden talent	Has more than 2 pets	Has taken a cruise	Has more than 2 siblings	Plays an instrument

AGENCY AND PROPERTY DISCLOSURE

(Module A)

Agency and Property Disclosure

Terms to Know

Directions: Fill in the terms to know or definitions for agency using textbook pages 1-4.

- 1) _____: consensual, fiduciary relation between two parties by law in which one, the principle/client, authorizes another, the agent, to represent the principle/client in legal and/or business dealing with third parties/customers. The principle/client has a right to control the conduct agent. The agent has power to affect the legal relation of the principle/client.
- 2) _____: One who retains the services of an agent for representation in legal and/or business dealing with third parties. A principal may be a corporation or a natural person.
- 3) **CLIENT**: In the _____ the term _____ replaced the common law term, _____. Prior to this term being put in the Practice Act, many real estate licensees routinely and incorrectly referred to any seller or buyer they were working with as, “my client.” However, in most cases, considering the term *client* as synonymous with *principal* is correct. The exception is in the licensee and employing brokerage relationship. The employing brokerage firm is the _____ of the associated licensee but not a _____ of the associated licensee.
- 4) _____: one authorized and empowered by a written agency agreement to perform actions for a client. A real estate brokerage firm is the agent of a buyer, seller, landlord, or tenant.
- 5) **SUBAGENT**: An agent of an agent. The power to appoint subagents comes from the _____. All agents are subagents of the employing brokerage firm.

- 6) **THIRD PARTY**: One who is not a party to an _____ but who may be involved in legal or business dealings because of it. The third party is one with whom the agent _____ while representing his/her principal/client.
- 7) _____: The Practice Act defines *customer* as a buyer, seller, landlord, or tenant who uses the services of a real estate licensee but does not establish an agency relationship through a written agency agreement with licensee's real estate brokerage firm. A customer has declined representation by the brokerage firm and is self-represented in a real estate transaction.
- 8) **TRANSACTION BROKER**: A real estate _____ providing _____ to a buyer, seller, or both in a real estate transaction.
- 9) **FIDUCIARY**: is one, _____, who is in a position of _____ and _____ with respect to another, _____.
- 10) _____: relationship where there is a mutual exchange of trust and confidence. The agent is the fiduciary of the principal/client and is legally bound to act in good faith to promote and protect the interests of the principal.
- 11) **POWER OF ATTORNEY**: A _____ instrument authorizing a person, an _____, to act as the agent on behalf of another to the extent indicated in the instrument.
- 12) _____: a competent person who is authorized by another to act in his/her place as a *proxy*.

Important Attributes of Agency Relationship

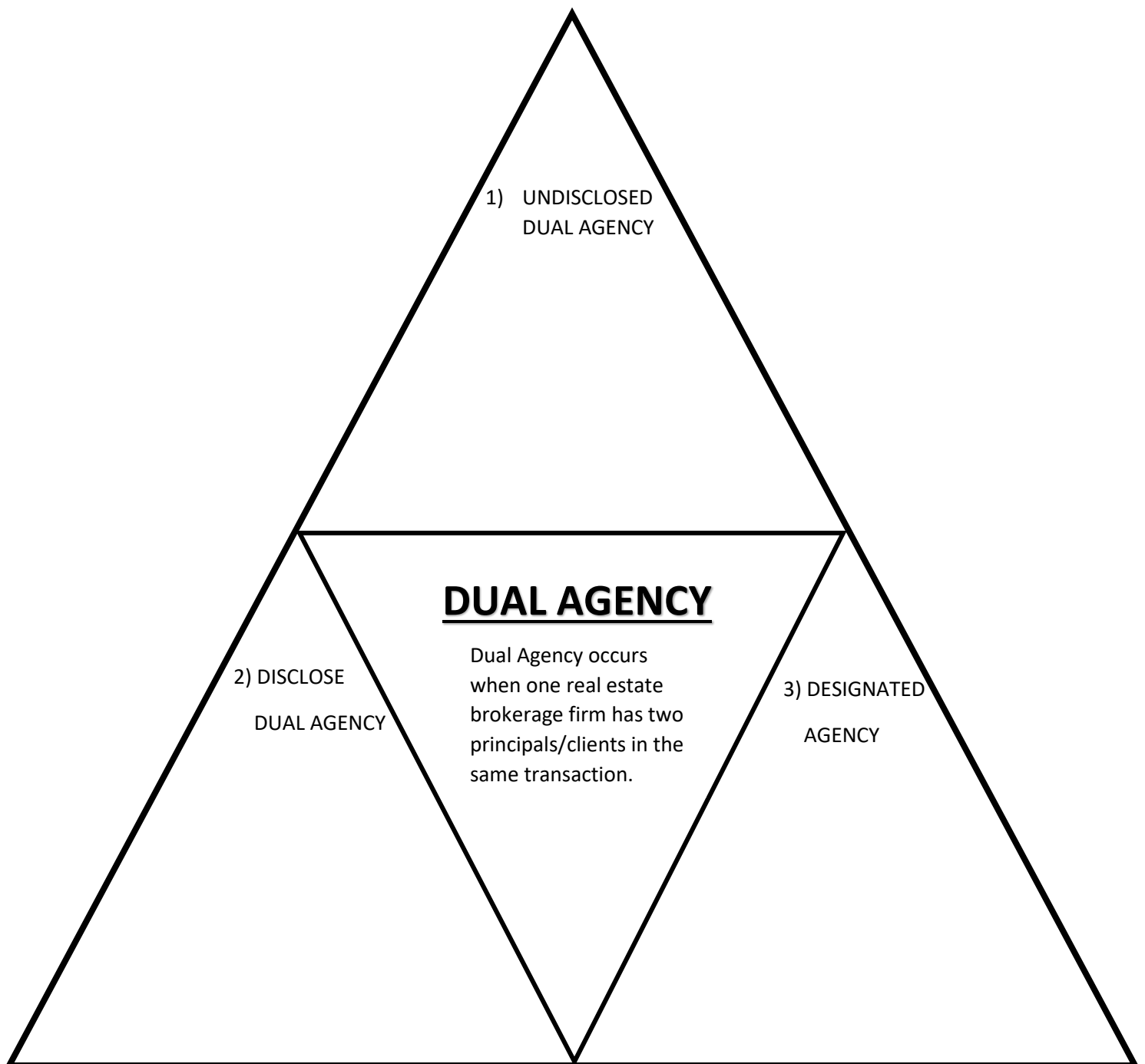
Directions: Complete the graphic organizer, below, using textbook page 4.

Attribute	Description
	The agency relationship between principal/client and agent can be formed by mere consent of the parties without any external formality. The Practice Act requires all agency agreements to be in writing.
PERSONAL	
	Agency relationships are fiduciary which means the parties have engaged in the mutual exchange of trust and confidence. Agents must always put the interests of their principal/client first, even when it would personally be more profitable to do otherwise.
CONFIDENTIAL	

NOTES:

Dual Agency

Directions: Fill in the graphic organizer with information about each type of dual agency using textbook pages 6-7.



Compare Express Agency and Implied Agency

Directions: Compare and contrast express agency vs. implied agency using the T- chart below and textbook page 9.

EXPRESS AGENCY	IMPLIED AGENCY

TYPES OF AGENTS

Directions: Define the different types of agents using textbook page 7.

1) UNIVERSAL AGENT:

2) SPECIAL AGENT:

3) GENERAL AGENT:

REAL ESTATE CONTRACT

(Module B)

ESSENTIAL ELEMENTS OF VALID CONTRACTS

Directions: Fill in the data retrieval chart with the description of each element of a valid contract using textbook pages 74-78.

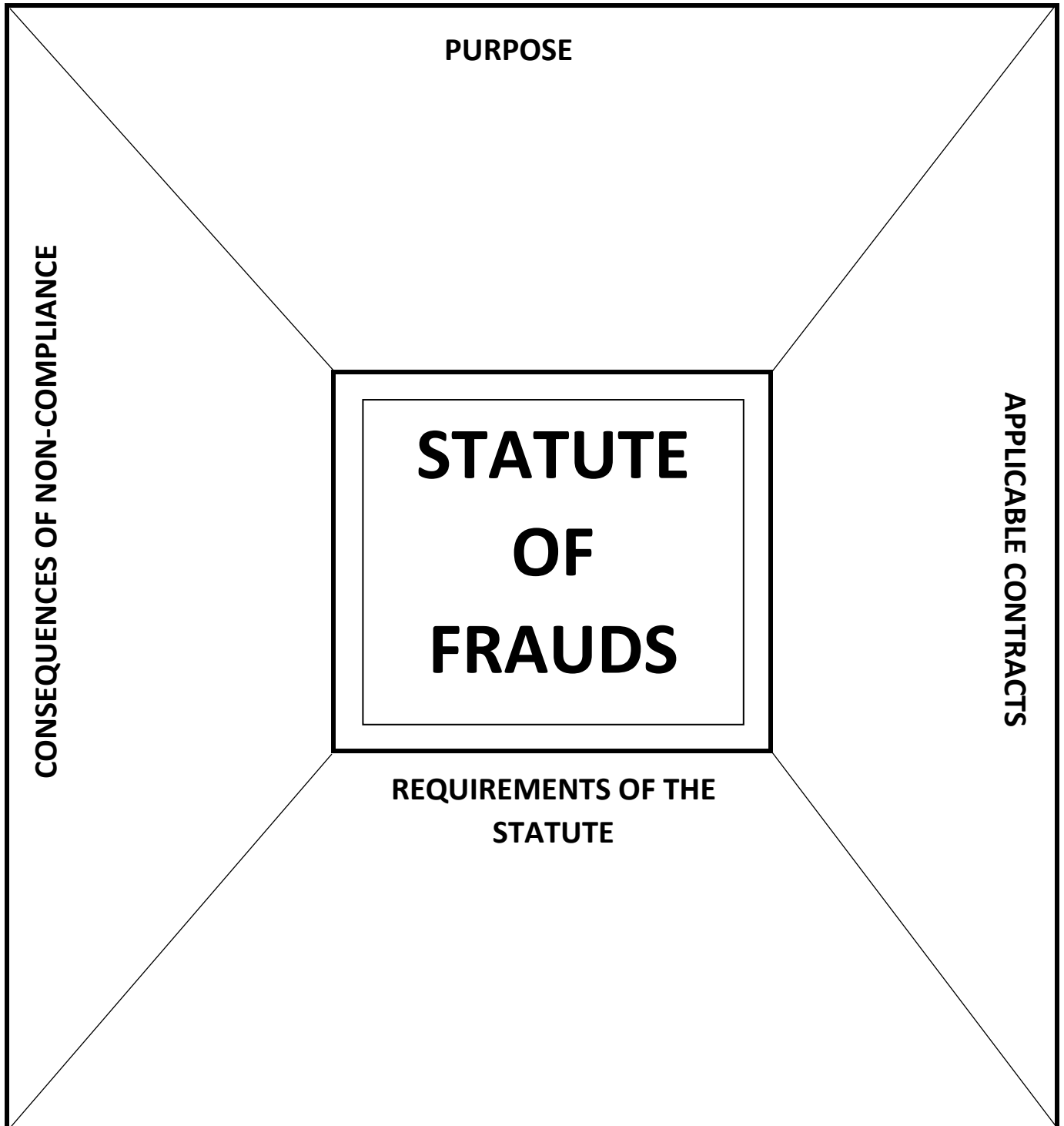
ESSENTIAL ELEMENT	DISCRIPTION
MUTUAL ASSENT	
LEGAL CONSIDERATION	
COMPETENCY	
LEGAL PURPOSE	

Define "reality of consent."

REALITY OF CONSENT:

STATUTE OF FRAUDS

Directions: Complete the graphic organizer with information about the Statute of Frauds using textbook pages 79-80.



ETHICS AND REAL ESTATE
(Module C)

ETHICS vs. LAW

Directions: Compare and contrast ethics vs. law based on the class discussion.

ETHICS	LAW

Directions: Write your personal code of ethics for practicing real estate.

[illegible]

Ethical Dilemmas for Group Discussion

Dilemma 1: Should I Disclose That?

“REALTORS® shall avoid exaggeration, misrepresentation, or concealment of pertinent facts relating to the property or the transaction.” (Article 2)

The scenario: Your seller client tells you that a home inspector recently was suspicious of insect damage when he saw the home's damaged siding. However, the seller disputes that notion, saying he's never had an insect problem in or around the home.

The risk: Withholding pertinent facts from buyers.

What to do: Disclose anything that affects the value or desirability of the home, says Bruce Aydt, ABR®, CRB, general counsel and senior vice president of St. Louis-based Prudential Alliance, REALTORS®. That may include insect damage, water leakage, structural problems, and more.

Otherwise, you're putting yourself at risk of serious legal action. “I think some agents are unaware of the potential liability and might agree with the home owner and keep quiet,” Aydt says.

Practitioners may be stumped because they don't know whether or not a particular fact is important enough to share with prospective buyers, Aydt says. If you find yourself in this situation, it's best to err on the side of disclosure.

You're not the expert; the home inspector is. So if a home inspector says there's a problem, but the seller disagrees, you have to stick with the assessment of the inspector.

What if sellers refuse to disclose, and urges you to do the same? It's the safest practice to surrender your listing, Aydt says. The legal risks to you are simply too great.

Dilemma 2: Sending Mixed Signals

*“REALTORS® pledge themselves to protect and promote the interests of their client.”
(Article 1)*

The scenario: You’re hosting an open house for your client, a seller. A woman seems very interested in the property and asks many questions about the home, local schools, and proximity to public transportation. She also asks why the sellers would want to move out of such a nice house.

The risk: Violating loyalty to your client, the seller. Some buyers, particularly first-timers, don’t always understand that the listing agent’s primary obligation is to the seller, Steele says. If you don’t tell them, it could lead to undisclosed dual representation.

“It ought to be fairly clear but unfortunately some agents don’t have the confidence to say: By the way, I represent the seller,” she says. “If the buyer gets the wrong signal, there’s potential for undisclosed dual agency, which is clearly not a good thing.”

What to do: As a listing agent, your responsibility to the prospective buyer is to treat them honestly, but to your client you owe confidentiality, accountability, and loyalty, Steele says.

You can always provide buyers with information that's public knowledge or with copies of the seller’s disclosure, which is required in most states. But you should center your conversations on the house and not issues such as the seller’s motivation, Steele says. “In an effort to be helpful, agents can sometimes overstep the line,” she says. “They don’t give clear signals.”

“There are a myriad of reasons for it,” Steele says. “Inexperience is one. If you don’t want to alienate a buyer, it can be a difficult situation.”

Dilemma 3: Ethics in Advertising

“REALTORS® shall be careful at all times to present a true picture in their advertising and representations to the public.” (Article 12)

The scenario: You’re looking for a way to differentiate yourself from the competition and give your marketing materials a kick. You decide on a new tagline: “The No. 1 Real Estate Agent For You.”

The risk: Stretching the truth. If your statements are truthful and accurate, it’s not wrong to tell prospects how you measure up to competitors. But when you make an advertising statement about being the “No. 1” agent, you could be misleading the public.

What to do: Making the claim of being No. 1 is perhaps the most abused or misused term in real estate advertising, Aydt says. If you really want to use that phrase, be careful to explain what you mean by “No. 1.” For example, cite your market share, a date range, and a specific geographic area.

Experts advise focusing on your own merits and what you bring to a prospective client rather than comparing yourself directly to competitors.

Ethics in advertising extends to property marketing, too. Be clear about how you describe the home, Steele says, and stay away from sweeping statements or exaggerations. It’s incumbent to avoid mistakes as well, she says. Double-check property tax figures with your local government, and be sure that square footage is measured correctly.

Finally, never say anything to buyers that you can’t confirm as a fact. “You can only represent what you know,” Steele says. “If you don’t know the answer, say ‘I don’t know, but I will go to City Hall and try to find an answer.’ In this business, you don’t make assumptions.”

Dilemma 4: One Brokerage, Multiple Offers

“Obligation to the client is primary, but it does not relieve REALTORS® of their obligation to treat all parties honestly.” (Article 1)

The scenario: Two interested buyers have submitted offers on your listing. One buyer is represented by an agent who works at your brokerage. The other buyer is represented by an agent from a franchise across town.

The risk: “Regardless of the intent, there may be concern that more attention will be paid to an in-house deal than out-of-house deal,” says Dale Mattison, CRS®, GRI, an associate broker with Long & Foster Real Estate in Washington, D.C.

“I know my ethical intent is to treat the offer fairly, but there’s always the risk that someone will get the wrong impression,” he says.

What to do: Mattison, past chairman of NAR’s Professional Standards Committee, says the Code of Ethics only requires such information to be disclosed to the buyer upon request, but he says it’s a good practice to disclose it anyway. That way, you won’t give anyone the idea that you’re favoring one offer so that your brokerage will capture the full commission.

In order to remain objective, his company’s policy is to have a third party that’s not directly involved in the deal, such as a brokerage office manager, present both offers to the seller.

Dilemma 5: Can You Write Me an Offer?

“REALTORS® shall not engage in any practice or take any action inconsistent with the exclusive relationship recognized by law that other REALTORS® have with clients.” (Article 16)

The scenario: You are representing clients who want to sell their home quickly so they can move into their new home. You get a call from a prospective buyer who says that he’s already viewed the property and would like to make an offer immediately. He asks for you to write the offer.

The risk: The buyer may already be represented.

What to do: First, ask the buyer if he’s working with a buyer’s agent, says Bill Lublin, CRS®, CRB, chief executive of Century 21 Advantage Gold in Philadelphia.

If he’s represented, encourage him to submit an offer through his agent. Also, the buyer should be made aware that he may have contractual obligations to the buyer’s agent, says Lublin, vice-chair of the NAR’s Professional Standards Committee. In most cases, the buyer’s agent can be owed a portion of the sales commission.

If the buyer is unable to work through his agent, and still demands that an offer be written immediately, your duty as the listing agent is to follow through with the request, Lublin says. After writing the offer, contact the buyer’s agent and let that person know what’s going on, and let them know they’ll receive commission from the deal as set out on the buyer’s rep contract.

“It’s good to do the right thing,” Lublin says. “You sleep so much better and feel so much better. The people I know who are successful in business are always extremely ethical. I don’t see that it has any kind of negative impact on anybody.”

MEASUREMENT AND VALUATION

(Module D)

MEASUREMENTS AND VALUATIONS

Directions: Complete this page based on the class discussion and textbook pages 209-210.

1) What is LIVABLE SQUARE FOOTAGE?

2) What is VALUE?

3) Define MARKET VALUE:

NOTES: _____

[illegible]

ECONOMIC PRINCIPLES AFFECTING VALUE

Directions: Fill in the data retrieval chart with the description of each principle affecting value.
Use textbook pages 212-213.

ECONOMIC PRINCIPLE AFFECTING VALUE	DISCRIPTION
Supply and Demand	
Highest and Best Use	
Substitution	
Contribution	
Change	
Conformity	
Anticipation	
Competition	
Increasing and Diminishing Returns	
Balance	
Plottage and Assemblage	

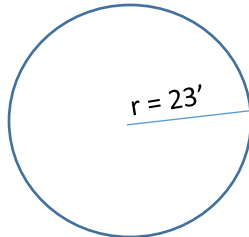
MATH PRACTICE PROBLEMS

Directions: Solve the practice problems below. Use the formula chart if needed. You may also reference textbook pages 266-276.

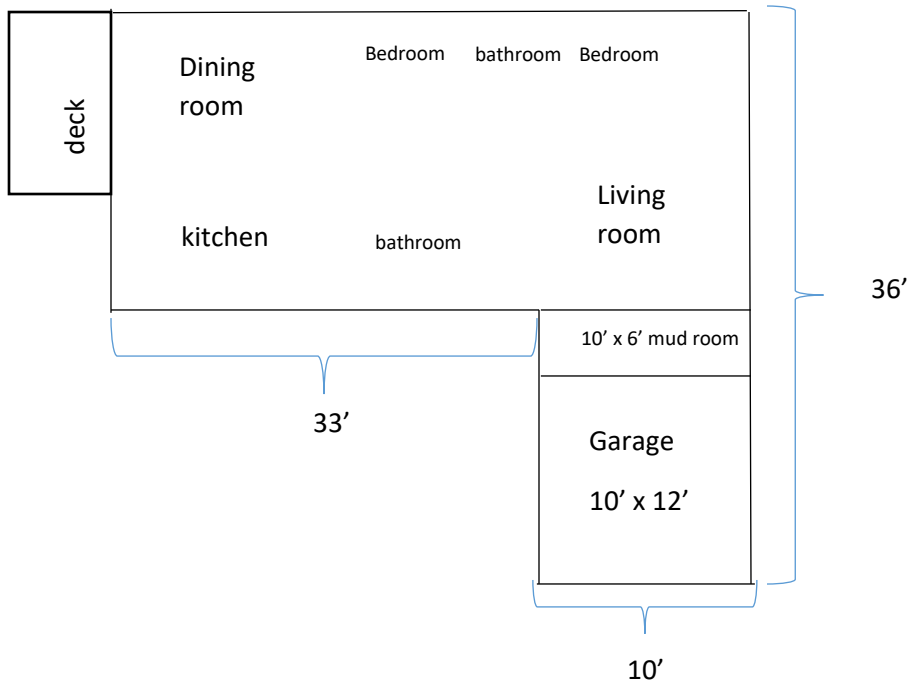
BASIC MATH FORMULAS

Perimeter	Sum of all sides
Area of quadrilateral	$A = L \times W$
Area of circle	$A = \pi r^2$
Area of triangle	$A = (h \times b)/2$
Volume of cube or rectangular prism	$V = L \times W \times H$

- 1) Jason wants to put a fence around his property. How much fencing is needed for his rectangular lot that is 967 ft. long and 450 ft. wide?
- 2) Sarah wants to paint an accent wall in her home. What is the area of the wall she needs to paint if it measures 10 ft. tall and 14 ft. long?
- 3) Find the area of the circle.



4) What is the area of the livable space in the diagram below?



5) James wants to pour a sidewalk from the street to his front door. The sidewalk is 3 ft. wide, 15 ft. long, and 4 inches thick. How many cubic feet of concrete does James need?

6) Zoe just bought a rectangular lot that is 15,236 ft. by 6,921 ft. What is the area of the her lot of land? How many acres is her lot?

- 7) What is the fraction equivalent to 2.36 reduced to lowest terms?
- 8) What is the decimal equivalent of $\frac{4}{9}$?
- 9) Carol received a property as her inheritance. She wanted to divide it amongst her 2 children and 2 siblings. The property is 21 acres. She gives each child $\frac{1}{3}$ of the acreage a piece. She gives each of her siblings 25% of the remaining acreage a piece. Carol keeps the rest for herself. How much does each person own after the property is divided up?
- 10) How many square feet are in Carol's original 21 acres of land in problem #9?
- 11) If Harry $\frac{6}{10}$ of an acre and Jessy has $\frac{2}{3}$ of an acre, how many acres do they have total?
- 12) Cameron received $\frac{2}{8}$ of the property lot from her dad. What percentage of the lot did she receive?

FAIR HOUSING

(Module E)

JONES vs MAYER 1968

Directions: Fill in the graphic organizer using textbook page 332.

Who were Jones and Mayer?	What was the case about?
<div>JONES vs MAYER</div>	
What were the results of the hearing?	What affect did the results of this case have on fair housing laws?

FAIR HOUSING TERMS TO KNOW

Directions: Fill in the term or definition for each of the following using textbook pages 333-334.

- 1) _____ : A protected class is any group, or any member of a group, that can be identified by a characteristic on the basis of which a local, state, or federal fair housing law prohibits discrimination. The Civil Rights Act of 1968 and its amendments recognizes the following as protected classes:
 - a. Race
 - b. _____
 - c. Religion
 - d. _____
 - e. Sex
 - f. _____
 - g. Familial Status

- 2) **BLOCKBUSTING**: occurs when a person, such as a _____, induces or attempts to induce an _____ of a dwelling to _____ or _____ that dwelling by making representations regarding the entry or prospective entry into the neighborhood of persons of a particular _____ or other _____.

- 3) **STEERING**: representation to any person, because of _____, color, religion, sex, _____, handicap, or familial status, that any dwelling is _____ for inspection, _____, or _____ when such dwelling is available. Steering also occurs when a person, such as a _____, directs prospective home _____ or renters to different areas according to race or that they belong to another _____.
- 4) _____ : The act of making a distinction against or in favor of a person on the basis of the group or class to which the person belongs, or the failure to treat people equally.
- 5) _____ : is comprised of the Civil Rights Act of 1866, the 1968 Supreme Court Decision in the 1965 Jones vs. Alfred Mayer Co. Case, and Title VIII of the Civil Rights Act of 1968, as amended in 1974 and 1988 (Title VIII is the Fair Housing Act.)
- 6) **REDLINING**: The practice by some _____, which _____ the number of _____ or loan-to-value ratio in certain areas of a community. Redlining refers to _____ based upon the _____ makeup of the neighborhood where the property is located.
- 7) _____ : a person or organization who, without an intent to rent or purchase a dwelling, poses as a renter or purchaser for the purpose of collecting evidence of unlawful discriminatory practices, such as steering or refusal to rent or sell. Testers have the capability to sue even though they may have had no intention of renting or purchasing the dwelling.

EXEMPTIONS TO TITLE VIII OF THE CIVIL RIGHTS ACT

Directions: Complete the data retrieval chart with information from textbook pages 336-337.

EXEMPTIONS	DISCRIPTIONS
Any Single-Family House Sold or Rented by an Owner	1. 2. 3. 4.
Rental of Rooms or Units Under Certain Conditions	
Religious or Church Related Non-Profit Organizations	
Private Clubs	

1866 CIVIL RIGHTS ACT vs. 1968 FEDERAL FAIR HOUSING ACT

Directions: Compare the 1866 Civil Rights Act and 1968 Federal Fair Housing Act in the chart below using textbook pages 334-338.

1866 CIVIL RIGHTS ACT	1968 FEDERAL FAIR HOUSING ACT

FAIR HOUSING AMENDMENTS ACT OF 1988

Directions: Complete the graphic organizer below using textbook pages 338-339.

AMENDMENT	DISCRIPTION
Discrimination Prohibited Against Handicapped	<ul style="list-style-type: none">a. Handicap Definedb. Right to Make Reasonable Modificationsc. Application to New Construction
Familial Status (Families with Children)	<ul style="list-style-type: none">a.b.c.