

60-HR FL Real Estate Broker Post-Licensing
Learning Objectives by Lesson

SECTION 1: BROKERAGE OFFICE ESSENTIALS

Lesson 1: Starting a Real Estate Office

- Recall the characteristics of business entities that may register as a real estate brokerage and the rules involved to operate under a broker's own name.
- Recall the rules for registering a trade name, general partnership, limited partnership, and corporation that brokers real estate.
- Recall the laws regarding a change or vacancy in the composition of partnership.
- Recall the types of business entities that may not register as a real estate brokerage.
- Recall the various requirements and rules pertaining to real estate brokerage offices, branch offices, and temporary shelters.
- Recall the accessibility requirements of the Americans with Disabilities Act pertaining to public accommodations and commercial facilities.
- Recall the rules pertaining to classified advertising, self-promotion, "for sale" signs, "sold" signs, and rental lists.
- Recall provisions of the Fair Housing Act as they pertain to advertising and display of the Fair Housing Poster.
- Recall the provisions of the Federal Communications Commissions' (FCC's) do-not-call rules and know the applicable exemption under the Florida's Telephone Solicitation Law.

Lesson 2: Owning and Operating a Real Estate Office

- Describe the considerations in developing a business plan.
- Recall the types of initial start-up costs involved in opening a real estate business.
- Recall the factors to that must be considered consider when projecting income and expenses of a real estate business.
- List typical fixed and variable expenses incurred by a real estate business.
- Differentiate between the advantages of purchasing a franchise versus operating an independent brokerage.
- Differentiate between cash basis accounting and accrual basis accounting.

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- Recall IRS rules concerning employees and independent contractors.
- Recall factors that must be considered when hiring sales managers and personal assistants and recruiting for sales associates.
- Recall Equal Employment Opportunity laws and Americans with Disabilities Act requirements regarding hiring employees.
- Recall what should be considered regarding development of employment agreements, including the various commission structure plans and which fees and payments typically are deducted from the sales associate's commission.
- List topics to include in a training program for sales associates and those topics that should be included in a policy manual.

Lesson 3: Agency Relationships of a Brokerage

- Describe which provisions of the Brokerage Relationship Disclosure Act apply only to residential real estate sales
- List types of real estate activities that are exempt from the disclosure requirements.
- Describe the required content and format of the various disclosure forms.
- Describe the procedure for giving the Notice of Non-representation when the first contact is not a face-to-face meeting.
- Distinguish among the three forms of authorized brokerage relationships.
- List and describe the duties owed in the various authorized relationships.
- Describe the disclosure procedures for the various authorized relationships.
- Know 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.

SECTION 2: BROKERAGE FUNCTIONS

Lesson 4: Contracts in Real Estate

- Describe the major types of listings and characteristics thereof
- Describe legal requirements of listing contracts

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- Differentiate between “finding a purchaser” and “effecting a sale”
- List the types contracts a licensee can prepare legally
- List the documents a licensee can use to prepare a contract
- Know the differences between tenancy by entireties, joint tenancy, and tenancy in common
- List the steps for protecting both parties where the buyer takes possession before or after closing
- Understand the differences between an option contract and first right of refusal agreement
- Know the differences between a lease option agreement and lease purchase agreement

Lesson 5: Financing in Real Estate

- Know the difference between a note and mortgage
- Know the importance of recording a lien on a property
- Describe the foreclosure process
- Calculate a mortgage payment and the interest rate, understanding Annual Percentage Rate (APR)
- Know characteristics of a conventional and FHA loans
- Describe benefits of a sale-leaseback
- Identify who is protected under the Equal Credit Opportunity Act
- List requirements of the Real Estate Settlement Procedures Act (RESPA)

Lesson 6: Closing the Transaction

- List steps leading to a successful closing
- Describe the pre-closing process
- Name the disclosures lenders should make prior to closing
- Be familiar with the major sections of the HUD-1 Settlement Statement
- Describe the processes of proration of interest, taxes, and rents
- Know how to prepare a HUD-1 and composite closing statement

SECTION 3: BROKERAGE SKILL

Lesson 7: Valuation of Real Property

- Recall the types of individuals authorized to perform an appraisal.

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- Differentiate between value, price, and cost.
- Recall the various types of value.
- Recall the elements of supply and demand and the factors that affect both.
- Differentiate between the different principles of value and understand how each influences value.
- Differentiate between highest and best use as vacant and highest and best use as improved
- Recall the steps in the appraisal process.
- Reconcile indicated values from different comparables or different approaches to value using weighted averaging.
- Recall the three types of appraisal reporting formats and describe the three types of narrative reports.

Lesson 8: Appraisal Methods for Real Property

- List the underlying assumption related to the Sales Comparison Approach.
- Prepare a sales comparison adjustment chart.
- Differentiate between normal sales price, market conditions-adjustment sale price, and final adjusted sale price.
- Recognize when the cost depreciation method should be utilized.
- Calculate value according to the cost depreciation method.
- Calculate a Gross Income Multiplier analysis.
- Prepare a reconstructed operating statement.
- Calculate a property's capitalization rate if given the net operating income and the property's value.

Lesson 9: Comparative Market Analysis

- Differentiate between a formal appraisal and a Comparative Market Analysis.
- Identify the three main sections of a typical CMA.
- Recall what information is necessary to prepare a CMA.
- Recall the best sources to find information necessary to prepare a CMA.

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- Recall the major elements of comparison between the subject property and the comparable property.
- Calculate the square footage of a building.
- Prepare a CMA for a buyer or a seller.

SECTION 4: BROKERAGE SPECIALTY

Lesson 10: Real Estate Investment

- Identify potential investment properties that meet the goal of an investor
- Analyze the financial potential of property
- Understand the various lease types that can be employed
- Describe ways to reduce debt service and revenue
- Construct an operating statement for income property
- Calculate present value and rate of return
- Identify investment risks
- Discuss other aspects of and information related to real estate investment

Lesson 11: Property Management

- Understand the licensing requirements for property managers and list the exemptions from the requirements
- Understand the definition of a community association and the employment situations which require a community association manager's license
- Describe the skills required of a property manager
- Describe the steps involved in analyzing the market and the property
- Describe the methods required by Chapter 475, F.S. to handle security deposits
- Know which lease forms may be completed by a real estate licensee
- Distinguish among the various types of leases and between a tenancy at will and a tenancy at sufferance
- Understand the provisions of the Civil Rights Act of 1866, the Fair Housing Act and the Americans with Disabilities Act as it applies to property management activities
- Know the provisions of the Florida Landlord and Tenant Act

Lesson 12: Federal Tax Laws on Real Estate

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- Describe tax deductions for home owners
- Describe loan interest deductions
- Understand how points on a loan can be deducted
- Describe capital gains tax and its real estate exemptions
- Understand the difference between land and improvement costs of a real estate purchase
- Calculate depreciation for residential and rental / business property
- Describe how paying tax on the sale of property can be deferred to a later date

Lesson 13: Valuation of Businesses

- Distinguish between real property valuation and business valuation.
- Describe the characteristics of the various business entities.
- Explain the business valuation process.
- Describe the problems associated with accounting principles.
- Describe the steps in the analysis of financial statements.
- Describe the elements of a balance sheet and an income statement.
- Describe and calculate current ratio, quick ratio, inventory turnover ratio, debt-to-worth ratio, and the net-profit-to-owner capital ratio.
- Describe the various approaches to business valuation.
- Distinguish among the different types of intangible assets and the techniques used to value intangible assets.