

Julie I. Brown, Secretary

Ron DeSantis, Governor

**Minutes of
THE FLORIDA REAL ESTATE COMMISSION
September 21, 2021
Hybrid Meeting**

September 21, 2021

Vice-Chair Randy Schwartz called the meeting of the Florida Real Estate Commission to order at approximately 8:30 a.m., via Hybrid, on this Tuesday, the 21st day of September 2021.

Commissioners

Chair Richard “Dick” Fryer – excused absence
Vice-Chair Randy Schwartz – in person
Patricia “Patti” Ketcham – in person
Patricia “Pat” Fitzgerald – in person
Guy Sanchez, Jr. – in person
Renee Butler – via Live-Stream
Richard Barbara – via Live-Stream

Mr. Lawrence Harris, Senior Assistant Attorney General appeared via Live-Stream as counsel for the Commission. Mr. Harris declared quorum present.

Staff

Giuvanna Corona, Executive Director – in person
Al Cheneler, Chief Attorney – in person
Emy Orellana, Regulatory Consultant – in person
Tobechi “Charles” Bob-Duru – Regulatory Specialist III
Jocelyn Pomales, Education Coordinator – in person
Janice Lugo, Operations Support Supervisor – via Live-Stream
Linda Doolittle, Regulatory Consultant – in person
Damon Boodram, Operation Review Specialist – in person
Amanda Bova, Assistant General Counsel Attorney – in person
Heather Page, Assistant General Counsel Attorney – in person
Katie Pareja, Assistant General Counsel Attorney – in person

Education Agenda

Giuvanna Corona, Executive Director, presented 4 Real Estate Education Course for the Commission’s review and consideration.

Tab A – NAR’s Real Estate Professional Assistant 2-Day – New Course (8 hours Specialty, Classroom) – application number 50640 – Florida Association of Realtors

The applicant was present in support of the application. After discussion, Commissioner Fitzgerald moved to approve the course; seconded by Commissioner Ketcham. The motion passed without dissent.

Tab B – Live-Stream NAR’s Real Estate Professional Assistant 2-Day – New Course (8 hours Specialty, Live-Stream) – application number 50641 – Florida Association of Realtors

The applicant was present in support of the application. After discussion, Commissioner Fitzgerald moved to approve the course; seconded by Commissioner Ketcham. The motion passed without dissent.

Tab C – Branding – New Course (2 hours Specialty, Live-Stream) – application number 50619 – Next Level Continuing Education

The applicant was present in support of the application. The application was continued, and the applicant waived the 90 days.

Tab D – Financial and Estate Planning for Real Estate Professionals – New Course (2 hours Specialty, Live-Stream) – application number 50298 – Next Level Continuing Education

The applicant was present in support of the application. After discussion, Commissioner Fitzgerald moved to approve the course; seconded Commissioner Barbara. The motion passed with a 4-2 vote.

Summary of Applicants

Agenda A

Giuvanna Corona, Executive Director, presented 45 Applicants requesting to sit for the real estate examination. Results are as follows:

TAB	NAME	PRESENT	MOVED by COMMISSIONER	SECONDED by COMMISSIONER	VOTE	COUNT
A	Essix, Michael Courtney	No	Continued			
B	Harrison, Lennard	Yes	Commissioner Fitzgerald moved; seconded by Commissioner Ketcham, to vacate the Notice of Intent to Deny and approve the application. The motion passed unanimously.			
C	Nascimento, Victoria Brett Schirrmann, Esq.	Yes Yes	Commissioner Fitzgerald moved; seconded by Commissioner Ketcham and Barbara, to vacate the Notice of Intent to Deny and approve the application. The motion passed with a 5-1.			
D	Schutz, Kristin	No	Continued			
E	Williams, Anna	No	Commissioner Sanchez moved; seconded by Commissioner Barbara, to uphold the Notice of Intent to Deny. The motion passed unanimously.			
F	Abukhdeir, Ibrahem	No	Continued and Waived the 90 days			
G	Alvarez, Alejandro	No	Continued and Waived the 90 days			
H	Baker, Torise	No	Sanchez	Fitzgerald	Denied	Unanimous
I	Brito, Keren	Yes	Sanchez	Barbara	Denied	5-1
J	Bryant, Sabrina Daniel Villazon, Esq.	Yes Yes	Ketcham	Fitzgerald	Approved	4-2
K	Cecere, Dylan John	No	Sanchez	Butler	Denied	4-2
L	Collinsworth, Kevin	Yes	Continued and Waived the 90 days			
M	Delouis, Sarah M	Yes	Sanchez	Fitzgerald	Denied	Unanimous
N	Franchy, Kristen Michelle	Yes	Fitzgerald	Ketcham	Approved	Unanimous
O	Gonzalez, Johnny	Yes	Sanchez	Fitzgerald	Approved	Unanimous
P	Hale, Jocelyn Nicolette	Yes	Sanchez	Ketcham	Denied	5-1
Q	Hall, Brendon Michael	Yes	Fitzgerald	Sanchez	Approved	Unanimous
R	Jagdmann, Garret	No	Fitzgerald	Schwartz	Approved	Unanimous
S	Jenkins, Drake	Yes	Sanchez	Ketcham	Approved	Unanimous
T	Lorie, Alejandro J	Yes	Fitzgerald	Sanchez	Approved	Unanimous

U	Maloney, Jamie Christopher	Yes	Barbara	Sanchez	Approved	Unanimous
V	Martinez, Adalberto	Yes	Sanchez	Fitzgerald	Approved	Unanimous
W	Mcgregor, Derrick Jr	Yes	Barbara	Ketcham	Approved	4-2
X	Miller, Candise Marie	Yes	Sanchez	Fitzgerald	Approved	Unanimous
Y	Mujica, Juan	Yes	Barbara	Sanchez	Approved	Unanimous
Z	Plante, Kristin Marie Daniel Villazon, Esq.	No Yes	Continued and Waived the 90 days			
AA	Pogue, Julie W	No	Barbara	Fitzgerald	Approved	4-2
AB	Post, Cameron Michael	Yes	Barbara	Fitzgerald	Approved	Unanimous
AC	Reeves, Fredrick Rolando	No	Fitzgerald	Ketcham	Approved	5-1
AD	Rivera, Kevin Ross	Yes	Ketcham	Fitzgerald/Barbara	Approved	Unanimous
AE	Sanders, Lisa Daniel Villazon, Esq.	Yes Yes	Sanchez	Barbara	Approved	Unanimous
AF	Shaw, Anthony	Yes	Sanchez	Ketcham	Denied	Unanimous
AG	Simmons, Jermarie	Yes	Ketcham	Sanchez/Barbara	Approved	Unanimous
AH	Skara, Silvana Nicolle	Yes	Ketcham	Butler	Approved	Unanimous
AI	Soler, Janice	Yes	Continued and Waived the 90 days			
AJ	Sparks, James D	No	Fitzgerald	Barbara	Approved	Unanimous
AK	St Fleur, Julianne Daniel Villazon, Esq.	Yes Yes	Fitzgerald	Schwartz	Approved	Unanimous
AL	Talley, Alexandra	Yes	Ketcham	Barbara/Butler/ Fitzgerald/Sanchez	Approved	Unanimous
AM	Taylor, Demaurio Antjuan	Yes	Barbara	Butler	Approved	Unanimous
AN	Toscano, Vincent	Yes	Sanchez	Fitzgerald	Approved	Unanimous
AO	Tournoy, Andrew Nicholas	Yes	Butler	Barbara	Approved	Unanimous
AP	Walker, Gregory Landan	No	Continued and Waived the 90 days			
AQ	Ware, Jennifer	Yes	Fitzgerald	Butler	Approved	Unanimous
AR	Whittington, Warren Dale	Yes	Ketcham	Sanchez	Approved	Unanimous
AS	Williams, Robin Renae	No	Continued and Waived the 90 days			

Agenda B

Giuvanna Corona, Executive Director, presented 55 Applicants requesting to sit for the real estate examination. Results are as follows:

TAB	NAME	PRESENT	MOVED by COMMISSIONER	SECONDED by COMMISSIONER	VOTE	COUNT
A	Anich, Matthew John	Yes	Barbara	Ketcham	Approved	4-2
B	Autery, Houston	Yes	Barbara	Fitzgerald	Approved	Unanimous
C	Bell, William Anthony	Yes	Fitzgerald	Sanchez	Approved	Unanimous
D	Berrios Vargas, Braulio	Yes	Barbara	Fitzgerald	Approved	4-2
E	Boyd, Jacob L	Yes	Ketcham	Fitzgerald	Approved	4-2
F	Bruton, Elisha Daniel Villazon, Esq.	Yes Yes	Sanchez	Ketcham	Approved	Unanimous
G	Call, Ryan L	Yes	Ketcham	Barbara	Approved	Unanimous
H	Castellanos, Kevin	Yes	Fitzgerald	Sanchez	Approved	Unanimous

I	Combs, Jamie Leigh	Yes	Ketcham	Fitzgerald	Approved	4-2
J	Crandall, Shane	No	Ketcham	Fitzgerald	Approved	4-2
K	Everett, Carrdell S	Yes	Ketcham	Fitzgerald	Denied	Unanimous
L	Ferro, John	Yes	Fitzgerald	Barbara	Approved	3-2
M	Flores, Gaston E	Yes	Fitzgerald	Barbara	Approved	4-1
N	Garcia Torres, Edward	Yes	Fitzgerald	Ketcham	Approved	5-1
O	Gellermann, Noelle K	Yes	Barbara	Fitzgerald/Butler	Approved	Unanimous
P	Gonzalez, Felix J	Yes	Ketcham	Fitzgerald	Approved	Unanimous
Q	Guerrero, Steven	Yes	Fitzgerald	Ketcham	Approved	5-1
R	Holmes, Nikkia	Yes	Ketcham	Fitzgerald	Approved	Unanimous
S	Jones, Alvin Earl Jr	Yes	Fitzgerald	Barbara	Approved	Unanimous
T	Kenny, Bernard	Yes	Butler	Barbara	Approved	5-1
U	King, Deddrick	Yes	Fitzgerald	Barbara	Approved	Unanimous
V	Kissoon, Joshua Brandon	Yes	Ketcham	Fitzgerald	Approved	Unanimous
W	Malave, Sara C	Yes	Barbara	Ketcham	Approved	Unanimous
X	Mcclure, Lyndzee Love	No	Continued and Waived the 90 days			
Y	Meechan, Diana Marie	Yes	Ketcham	Fitzgerald	Approved	Unanimous
Z	Miller, Willard	Yes	Fitzgerald	Barbara	Approved	Unanimous
AA	Monaco, Franco	Yes	Barbara	Fitzgerald	Approved	Unanimous
AB	Morejon, Moises Jr	Yes	Barbara	Fitzgerald	Approved	Unanimous
AC	Otterbourg, Felicia	Yes	Ketcham	Fitzgerald	Approved	4-2
AD	Padula, William Robert	Yes	Sanchez	Fitzgerald	Denied	Unanimous
AE	Parada, Ivan Marcelo	Yes	Ketcham	Fitzgerald	Approved	Unanimous
AF	Pennyfeather, Dalwin	Yes	Barbara	Fitzgerald	Approved	5-1
AG	Pierre, Gensly Samuel	Yes	Barbara	Butler	Approved	Unanimous
AH	Powell, Francis X	Yes	Ketcham	Fitzgerald	Denied	Unanimous
AI	Rhaney, Kevin	No	Ketcham	Barbara	Approved	Unanimous
AJ	Rivera, Antonio Jr	Yes	Butler	Barbara	Approved	Unanimous
AK	Rizvi, Bilal	Yes	Fitzgerald	Ketcham/Barbara	Approved	5-1
AL	Rodgers, Paul C	Yes	Ketcham	Sanchez	Approved	Unanimous
AM	Rodriguez, Josue Gabriel	Yes	Fitzgerald	Barbara	Approved	Unanimous
AN	Rosner, Myron Joel	No	Continued and Waived the 90 days			
AO	Roy, Jake D	Yes	Barbara	Ketcham	Approved	Unanimous
AP	Ruibal, William Patrick	Yes	Fitzgerald	Ketcham	Approved	Unanimous
AQ	Santeramo, Thomas	Yes	Fitzgerald	Ketcham	Approved	Unanimous
AR	Scheibner, Lasundra A Daniel Villazon, Esq.	Yes Yes	Barbara	Sanchez	Approved	Unanimous
AS	Shahab, Shayan	Yes	Barbara	Fitzgerald	Approved	5-1
AT	Silva, Simon	Yes	Fitzgerald	Barbara/Butler	Approved	Unanimous
AU	Smith, Jermaine	No	Ketcham	Butler	Approved	4-1

AV	Smith, Victoria Elizabeth	No	Ketcham	Sanchez	Approved	5-1
AW	Thomas, Demetrice A	No	Barbara	Fitzgerald	Approved	4-2
AX	Tobella, Yenia	Yes	Withdrawn			
AY	Tooley, Douglas	Yes	Barbara	Fitzgerald	Approved	4-2
AZ	Van Daalen, John William	Yes	Barbara	Fitzgerald	Approved	Unanimous
BA	Williams, Antonio	No	Sanchez	Butler	Denied	Unanimous
BB	Younce, Danielle Nichole	No	Sanchez	Fitzgerald	Denied	Unanimous
BC	Yulan, David Antonio	No	Barbara	Fitzgerald	Approved	Unanimous

Meeting Minutes

Executive Director Corona presented the July and August 2021 Meeting Minutes for approval. Commissioner Sanchez moved to approve the July and August 2021 Meeting Minutes; seconded by Commissioner Barbara. The motion passed unanimously.

Reports

Executive Director Corona presented the August 2021 Division Reports. Chief Attorney Cheneler presented the Legal Reports for August 2021. FREC Counsel Harris presented the Rules Report for August 2021.

Executive Director's Comments

Executive Director Corona thanked the Commission and Division staff for a great meeting; addressed questions and comments from the Commission.

Chair's Comments

Chair Fryer thanked the Commission and Division staff for a great meeting.

Public Comments

The Commission did not receive public comment.

Adjournment

There being no other business, the Chair adjourned the meeting at approximately 4:45 p.m. The next general meeting – licensing of the Florida Real Estate Commission is scheduled for October 19, 2021, in Orlando and via Tele-Conference/Live-Stream.

ATTEST:


 Richard "Dick" Fryer, Chair
 Florida Real Estate Commission


 Giovanna Corona, Executive Director
 Florida Real Estate Commission

Julie I. Brown, Secretary

Ron DeSantis, Governor

**Minutes of
THE FLORIDA REAL ESTATE COMMISSION
September 22, 2021
Hybrid Meeting**

September 22, 2021

Chair Dick Fryer called the meeting of the Florida Real Estate Commission to order at approximately 8:30 a.m., via Hybrid, on this Wednesday, the 22nd day of September, 2021.

Commissioners

Chair Richard “Dick” Fryer – in person
Vice-Chair Randy Schwartz – in person
Patricia “Patti” Ketcham – in person
Patricia “Pat” Fitzgerald – in person
Guy Sanchez, Jr. – in person
Renee Butler – via Live-Stream
Richard Barbara – via Live-Stream

Mr. Lawrence Harris, Senior Assistant Attorney General, appeared via Live-Stream as counsel for the Commission. Mr. Harris declared quorum present.

Staff

Giuvanna Corona, Executive Director – in person
Al Cheneler, Chief Attorney – in person
James Fortunas, Deputy Chief Attorney – via Live-Stream
Mackenzie Medich, Deputy Chief Attorney – via Live-Stream
Claire Dixon, Legal Assistant – via Live-Stream
Delhon Braaten, Assistant General Counsel Attorney – via Live-Stream
Amanda Bova, Assistant General Counsel Attorney – in person
William Childers, Assistant General Counsel Attorney – via Live-Stream
Dan David, Assistant General Counsel Attorney – via Live-Stream
Heather Page, Assistant General Counsel Attorney – in person
Katie Pareja, Assistant General Counsel Attorney – in person
Emy Orellana, Regulatory Consultant – in person
Tobechi “Charles” Bob-Duru – in person
Janice Lugo, Operations Support Supervisor – via Live-Stream
Linda Doolittle, Regulatory Consultant – in person
Bradley Ramos, Regulatory Specialist III – in person
Damon Boodram, Operation Review Specialist – in person
Lia Matos, Barry University School of Law Intern – in person

Escrow Disbursement Orders – Agenda

Heather Page, Assistant General Counsel, presented 6 Escrow Disbursement Orders.

Commissioner Sanchez moved to approve Tab A, seconded by Vice-Chair Schwartz; the motion passed unanimously.

Commissioner Fitzgerald moved to approve Tab B, seconded by Vice-Chair Schwartz; the motion passed unanimously. Commissioner Sanchez was recused.

Commissioner Fitzgerald moved to approve Tabs C and E of the Escrow Disbursement Order as an Interpleader, seconded by Vice-Chair Schwartz and Commissioner Butler; the motion passed unanimously.

Commissioner Ketcham moved to approve Tab D of the Escrow Disbursement Order as an Interpleader, seconded by Commissioner Fitzgerald; the motion passed with a 5-1 vote. Commissioner Sanchez was recused.

Commissioner Fitzgerald moved to approve Tab F of the Escrow Disbursement Order as an Interpleader, seconded by Vice-Chair Schwartz and Commissioner Barbara; the motion passed unanimously. Commissioner Sanchez was recused.

Recovery Fund Claim – Agenda

Delhon Braaten, Assistant General Counsel, presented 1 Recovery Fund Claim.

Tab A – RFC Lynskey V Amy, Case Number 2020-054531

Claimant was not present and was not represented by Counsel; Licensee was not present and was not represented by Counsel. After discussion, Commissioner Fitzgerald moved to approve the claim as recommended by the Department; seconded by Vice-Chair Schwartz. The motion passed unanimously.

Legal Appearance Docket

The Commission addressed the Legal Appearance Docket, hearing 6 docket items with the following results:

Tab A – Lucy Herczeg, BL655645, Case No. 2021-007940 – Request for Informal Hearing

The Respondent was not present and was not represented by counsel. Ms. Bova represented the Department. Vice-Chair Schwartz and Commissioner Butler served on probable cause and were recused.

After discussion, Commissioner Sanchez; seconded by Commissioner Fitzgerald; to impose the following sanctions: **revocation; administrative; investigative costs of \$495.00**; the motion passed without dissent.

Violation(s): Section 475.25(1)(e), Florida Statutes, by failing to timely complete a lawful order imposed by FREC.

Tab B – Angel Gaston, SL3374780, Case No. 2021-008511 – Motion for Finding of Waiver and Entry of Final Order

The Respondent was not present and was not represented by counsel. Mr. Childers represented the Department. Commissioner Fitzgerald and Commissioner Barbara served on probable cause and were recused.

After discussion, Commissioner Sanchez moved; seconded by Vice-Chair Schwartz and Commissioner Butler; to impose the following sanctions: **revocation; investigative costs of \$437.25**; the motion passed without dissent.

Violation(s): Section 475.25(1)(e), Florida Statutes, by failing to timely complete a lawful order imposed by FREC.

Tab C – Susan Hoffman, SL3133154, Case No. 2021-008004 – Motion for Finding of Waiver & Entry of Final Order

The Respondent was not present and was not represented by counsel. Mr. Childers represented the Department. Vice-Chair Schwartz and Commissioner Butler served on probable cause and were recused.

After discussion, Commissioner Sanchez; seconded by Commissioner Fitzgerald; to impose the following sanctions: **revocation; investigative costs of \$528.00**; the motion passed without dissent.

Violation(s): Section 475.25(1)(e), Florida Statutes, by failing to timely complete a lawful order imposed by FREC.

Tab D – Michael Vizcaino, SL3404629, Case No. 2021-008214 – Motion for Finding of Waiver & Entry of Final Order

The Respondent was not present and was not represented by counsel. Mr. Childers represented the Department. Vice-Chair Schwartz and Commissioner Butler served on probable cause and were recused.

After discussion, Commissioner Fitzgerald; seconded by Commissioner Sanchez; to impose the following sanctions: **revocation; investigative costs of \$528.00**; the motion passed without dissent.

Violation(s): Section 475.25(1)(e), Florida Statutes, by failing to timely complete a lawful order imposed by FREC.

Tabs E – Current Real Estate Advisors Florida, LLC, CQ1061361, Case No. 2021-004780 – Settlement Stipulation

The Respondent was present and was represented by counsel, Elliot Goldberg Esq., present. Mr. Childers represented the Department. Commissioner Ketcham served on probable cause and was recused.

After discussion, Commissioner Fitzgerald moved; seconded by Commissioner Sanchez; to accept the Amended Settlement Stipulation and impose the following sanctions: **administrative fine of \$250.00; investigative costs of \$264.00**; the motion passed without dissent.

Violation(s): Section 475.42(1)(c), Florida Statutes, by employing or continuing to employ a person as a sales associate who is not the holder of a valid and current license as sales associate.

Tab F – Stefano Santoro, BK3370425, Case No. 2021-004783 – Respondent’s Request for Settlement Stipulation

The Respondent was present and was represented by counsel, Elliot Goldberg Esq., present. Mr. Childers represented the Department. Commissioner Ketcham served on probable cause and was recused.

After discussion, Commissioner Fitzgerald moved; seconded by Commissioner Sanchez and Commissioner Barbara; to accept the Amended Settlement Stipulation and impose the following sanctions: **probation for 6 months; administrative fine of \$500.00; investigative costs of \$272.25; 3-hour Core Law Course; complete FREC Meeting**; the motion passed without dissent.

Violation(s): Section 475.42(1)(c), Florida Statutes, by employing or continuing to employ a person as a sales associate who is not the holder of a valid and current license as sales associate.

Petitions

Tab A – Petition for Declaratory Statement – Robert Shaw, SL3305644 – DS2021-042

The petitioner was not present in support of the petition. After discussion, Commissioner Fitzgerald moved to grant the petition for Declaratory Statement; seconded Commissioner Sanchez, Butler, and Ketcham; the motion passed without dissent.

Summary of Applicants

Agenda C

Giovanna Corona, Executive Director, presented 13 Applicants requesting to sit for the real estate examination. Results are as follows:

TAB	NAME	PRESENT	MOVED BY:	SECONDED BY:	VOTE	COUNT
A	Elliott, Travis M	Yes	Commissioner Fitzgerald moved; seconded by Commissioner Barbara, to vacate the Notice of Intent to Deny and approve the application. The motion passed unanimously.			
B	Barrios, Belkis	Yes	Fitzgerald	Sanchez	Approved	Unanimously
C	Bryant, John Edward	No	Barbara	Ketcham	Approved	Unanimously
D	Castro, Dario Gutierrez	Yes	Fitzgerald	Ketcham	Approved	Unanimously
E	Da Costs, Jhenyfer	Yes	Barbara	Ketcham	Approved	4-2
F	Grody, Joseph	Yes	Sanchez	Butler	Approved	Unanimously
G	Jones, Donald Richard	Yes	Fitzgerald	Ketcham/Sanchez	Approved	Unanimously
H	Mckinney, Melissa	Yes	Ketcham	Barbara	Approved	4-3
I	Millan, Yuri	No	Sanchez	Fitzgerald	Denied	Unanimously
J	Rivera, Amber	Yes	Ketcham	Barbara	Approved	Unanimously
K	Roberts, Bradley	No	Continued and Waived the 90 days			
L	Rodriguez, Liane	Yes	Sanchez	Ketcham	Denied	Unanimously
M	Van Ginhoven, Marcia G	Yes	Fitzgerald	Ketcham	Approved	Unanimously

Consent Agenda A

The Commission considered 119 applicants; Vice-Chair Schwartz moved; Commissioner Fitzgerald seconded; to approve 41 applicants and require 78 applicants to be placed on the Summary of Applicant Agenda; the motion passed with a 6-1 vote.

Consent Agenda B

The Commission considered 12 applicants; Vice-Chair Schwartz moved; Commissioner Fitzgerald seconded; to approve 2 applicants and require 10 applicants to be placed on the Summary of Applicant Agenda; the motion passed with a 6-1 vote.

Public Comments

The Commission did not receive any public comment.

Adjournment

There being no other business, the Chair adjourned the meeting at approximately 10:30 a.m. The next general meeting – Legal of the Florida Real Estate Commission is scheduled for October 20, 2021, in Orlando and via Tele-Conference/Live-Stream.

ATTEST:



Richard "Dick" Fryer, Chair
Florida Real Estate Commission



Giovanna Corona, Executive Director
Florida Real Estate Commission

Julie I. Brown, Secretary

Ron DeSantis, Governor

**Minutes of
THE FLORIDA REAL ESTATE COMMISSION
September 22, 2021
General Workshop - Hybrid**

September 22, 2021

Chair Dick Fryer called the meeting of the Florida Real Estate Commission to order at approximately 11:11 a.m., in Orlando, Florida, on this Wednesday, the 22nd day of September, 2021.

Commissioners

Chair Richard “Dick” Fryer
Patricia “Patti” Ketcham
Patricia “Pat” Fitzgerald
Guy Sanchez, Jr.
Renee Butler
Richard Barbara

Mr. Lawrence Harris, Senior Assistant Attorney General, appeared as counsel for the Commission. Mr. Harris declared quorum present.

Staff

Giuvanna Corona, Executive Director
Al Cheneler, Chief Attorney
Jocelyn Pomales, Education Coordinator
Emy Orellana, Regulatory Consultant
Tobechi “Charles” Bob-Duru, Regulatory Specialist III
Magnolia Court Reporting, Inc. (407) 896-1813 provided court services.

Other Attendees

Bill Christen, Goldcoast
Karen Climer, Instructor Demetree School of Real Estate
Linda Crawford, Author Dearborn Publishing Company
Wayne Hasse, Goldcoast/Calibre
Denise Johnson, Instructor Watson Realty
Margie Grant, Chief Executive Officer of Florida Realtors
Juana Watkins, General Counsel and Vice President of Law and Policy of Florida Realtors

Chair Fryer stated the purpose of the workshop was to discuss the 2021-22 rulemaking for:

61J2-1.011 License Fees and Examination Fees
61J2-2.030 Notice of Denial
61J2-2.032 Informal Hearings
61J2-3 Minimum Education Requirements – FREC-I Syllabus
61J2-10.025 Advertising
61J2-10.026 Team or Group Advertising
61J2-17.015 Required Communication by School Permit Holders
61J2-24.001 Disciplinary Guidelines
61J2-24.006 Probation

Rule 61J2-1.011 License Fees and Examination Fees

The purpose of this rule discussion is to update the Commission the rule was sent to Office of Fiscal Accountability & Regulatory Reform and the Notice of the Proposed Rule was published in the Florida Administrative Registry.

Rule 61J2-2.030 Notice of Denial

The purpose of this rule discussion is to update the Commission the rule was sent to Office of Fiscal Accountability & Regulatory Reform and the Notice of the Proposed Rule was published in the Florida Administrative Registry.

Rule 61J2-2.032 Informal Hearings

The purpose of this rule discussion is to update the Commission the repeal of the rule was adopted and effective October 7, 2021.

Rule 61J2-3 Minimum Education Requirements

The purpose of this rule discussion is to update the Commission review the proposed language to FREC-I Syllabus submitted by Linda Crawford, Author Dearborn Publishing Company. The Commission received comments from the audience. After discussion, Chair Fryer requested for a Word version be available for interested parties to mark-up the proposed draft and send to Linda Crawford for final markup draft. Ms. Crawford accepted the Chair's request.

Rule 61J2-10.025 Advertising

The purpose of this rule discussion is to update the Commission the rule was sent to Office of Fiscal Accountability & Regulatory Reform and the Notice of the Proposed Rule was published in the Florida Administrative Registry. The Commission received comments from the audience. After discussion, Commissioner Ketcham moved to withdraw the proposed language; seconded by Commissioner Fitzgerald; the motion passed unanimously.

Rule 61J2-10.026 Team or Group Advertising

The purpose of this rule discussion is to update the Commission the rule was sent to Office of Fiscal Accountability & Regulatory Reform and the Notice of the Proposed Rule was published in the Florida Administrative Registry. The Commission received comments from the audience. After discussion, Commissioner Ketcham moved to keep the proposed language to strike out "(7) All advertisements must comply with these requirements no later than July 1, 2019"; seconded by Commissioner Fitzgerald; the motion passed unanimously.

Rule 61J2-17.015 Required Communication by School Permit Holders

The purpose of this rule discussion is to update the Commission the rule was sent to Office of Fiscal Accountability & Regulatory Reform and the Notice of the Proposed Rule was published in the Florida Administrative Registry. Board Counsel introduced the Joint Administrative Procedures Committee correspondence which recommended denial of the proposed language. After presentation of Board Counsel's response to the Joint Administrative Procedures Committee, Chair Richard Fryer, Commissioner Patricia Ketcham, Commission Patricia Fitzgerald, Commissioner Guy Sanchez Jr., Commissioner Richard Barbara and Commissioner Renee Butler each confirmed on the record they approve the response provided. After further discussion, Commissioner Ketcham moved to keep the proposed language; seconded by Commissioner Barbara; the motion passed without dissent.

Rule 61J2-24.001 Disciplinary Guidelines

Rule 61J2-24.002 Citation Authority

Rule 61J2-24.003 Notification of Noncompliance

The purpose of this rule discussion is to review the proposed language regarding disciplinary guidelines, citation authority and notification of noncompliance. The Commission did not receive comments from the audience. After discussion, the Commission provided board counsel with additional guidance and instructions for the purpose to produce an updated draft.

Rule 61J2-24.006 Probation

The purpose of this rule discussion is to review the proposed language regarding probation. The Commission did not receive comments from the audience. After discussion, the Commission provided board counsel with additional guidance and instructions for the purpose to produce an updated draft.

Adjournment

There being no other business and no objection, the Chair adjourned the meeting at approximately 1:30 p.m.

ATTEST:



Richard "Dick" Fryer, Chair
Florida Real Estate Commission



Giovanna Corona, Executive Director
Florida Real Estate Commission

Florida Real Estate Commission SALES ASSOCIATE COURSE SYLLABUS (FREC COURSE I)

January 1, 2015

(effective date)

TABLE OF CONTENTS

SECTION 1: Course Overview: The Real Estate Business

SECTION 2: Real Estate License Law And Qualifications For Licensure

SECTION 3: Real Estate License Law And Commission Rules

SECTION 4: Authorized Relationships, Duties And Disclosure

SECTION 5: Real Estate Brokerage Activities And Procedures

SECTION 6: Violations Of License Law, Penalties And Procedures

SECTION 7: Federal And State Laws Pertaining To Real Estate

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

SECTION 9: Title, Deeds And Ownership Restrictions

SECTION 10: Legal Descriptions

SECTION 11: Real Estate Contracts

SECTION 12: Residential Mortgages

SECTION 13: Types Of Mortgages And Sources Of Financing

SECTION 14: Real Estate Related Computations And Closing Of Transactions

SECTION 15: The Real Estate Markets And Analysis

SECTION 16: Real Estate Appraisal

SECTION 17: Real Estate Investments And Business Opportunity Brokerage

SECTION 18: Taxes Affecting Real Estate

SECTION 19: Planning, And Zoning

Comment [LC1]: Relocate to Section 11; VII
B 5) Required disclosures

Suggested formatting and instructional techniques:

- When discussing the application and examination process refer students to the Candidate Information Booklet
- Use application based instruction
- When available utilize case studies
- Emphasize the role of ethics in the practice of real estate
- Where applicable refer students to the Florida Administrative Code and Florida Statute.
- Section times are not required to be three hours in duration provided the overall course is 60-hours of instruction with 3-hour end-of-course examination. Allocate your time based upon the complexity of the material.
- Refer students to available online services offered by the Department of Business and Professional Regulation when discussing application, license renewal and general account information.
- Where appropriate incorporate the most timely forms and applications used in the field
- While the syllabus contains structured areas of study if you find that subject matter from different sections applies to the topics you are covering you may incorporate the material into that section.

SECTION 1

COURSE OVERVIEW: THE REAL ESTATE BUSINESS

Learning Objectives:

- 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~~ Describe activities that require appraiser services and distinguish among CMA, BPO, and appraisal
- 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

Key Terms:

- absentee owner
- appraisal
- appraiser
- broker price opinion (BPO)
- business opportunity
- comparative market analysis (CMA)
- dedication
- farm area (target market)
- follow-up
- property management
- real estate brokerage
- ~~special purpose property~~
- subdivision plat map
- USPAP
- ~~MLS~~

Outline

- I) Introduction to the Real Estate Business
 - A Overview of the real estate industry
 - 1) The real estate industry's role in the nation's economy
 - 2) Many industries are dependent on real estate activity
 - B Real estate is a business of many specializations
 - 1) Expert information is the product that a broker or a sales associate must market
 - (a) Knowledge of property transfer
 - (b) Knowledge of market conditions
 - (c) Knowledge of how to market real estate
- II) Real Estate Brokerage
 - A Sales and Leasing
 - 1) A business in which real estate license-related activities are performed under the authority of a real estate broker
 - 2) The broker acts as an agent or intermediary between two or more people in the negotiation of the sale, purchase or rental of real estate
 - 3) A sales associate works for the broker, providing services to prospective

Comment [LC2]: Insert new Key Terms in alphabetical order:
business broker
community association manager (CAM)
multiple listing service (MLS)
property manager

Comment [LC3]: Relocate to Section 19 (Zoning)

Comment [LC4]: See new Key Terms comment

Comment [LC5]: Insert under 2)
(a) Distinguish between Community Association Manager (CAM) and property manager

buyers and sellers

Comment [LC6]: The page breaks are due to tracking the edits and will correct on the final document once the tracking is no longer displayed.

- 4) Requires expert information that the average layperson does not possess
 - 5) More efficient to acquire this information through a real estate professional
 - 6) Real estate brokers and sales associates often specialize in a particular geographic area or property type. This method of target marketing is often called "farming"
 - 7) Five major sales specialties
 - (a) Residential
 - (b) Commercial
 - (c) Industrial
 - (d) Agricultural
 - (e) Businesses
- B Property Management
- 1) Need for property managers
 - (a) Absentee ownership
 - 2) Services typically provided by a property manager
 - (a) Distinguish between Community Association Manager (CAM)
 - 3) Scope of work detailed in a management agreement
 - 4) Property manager's charge is to protect the owner's investment and maximize owner's returns
- C Appraising
- 1) The process of estimating the value of real estate
 - 2) Types of real estate activities that require appraisal services
 - 3) State-certified, licensed and registered appraisers are regulated by the Florida Real Estate Appraisal Board
 - 4) Real estate licensees may appraise real property provided they do not represent themselves as state-certified, ~~registered~~ or licensed appraisers
 - 5) Real estate licensees must ~~comport conform~~ to USPAP when conducting appraisals of real property--define USPAP
 - 6) Comparative market analysis versus appraisal--define CMA
 - (a) CMAs exempt from USPAP
 - 8) Broker Price Opinion (BPO)
 - 7) USPAP's Ethics Rule regarding compensation
- D Financing
- 1) The business of providing funds for real estate transactions
 - 2) Sources of funds to finance real estate transactions
 - 3) Importance of expertise in financing matters and knowledge of how to solve financing problems
 - 4) Mortgage loan originator ~~and mortgage bankers~~ must be licensed as such
- E Counseling
- 1) The service of analyzing existing or potential projects and providing advice
 - 2) Extensive knowledge and expertise ~~is~~ are required
- III) Development and Construction
- A Land acquisition
 - B Subdividing and development
 - C Subdivision plat map is recorded
 - D Developer often dedicates land to a governmental body for public use
 - E Construction
 - 1) Types of residential construction

- (a) Spec homes
- (b) Tract homes
- (c) Custom homes

IV) The Role of Government

- A Local government
- B State government
- C Federal government

V) Professional Organizations

- A Variety of professional organizations are in existence
- B National Association of REALTORS® (NAR)
- C Florida REALTORS®
- D Local Board (Association) of REALTORS®

E Distinguish~~ing~~ between holding a Real Estate license vs. being a Realtor

SECTION 2 REAL ESTATE LICENSE LAW AND QUALIFICATIONS FOR LICENSURE

Learning Objectives:

- Identify the qualifications for a sales associate'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

Key Terms:

- adjudication withheld
- broker
- broker associate
- ~~caveat emptor~~
- compensation
- Florida resident
- license/registration
- nolo contendere / no contest
- prima facie evidence
- real estate services
- sales associate
- ~~expungement vs. sealing~~

Outline

- I) History and purposes of real estate license laws
 - A History of Florida's real estate license law
 - 1) Department of Business and Professional Regulation
 - 2) Division of Real Estate
 - 3) Florida Real Estate Commission
 - B Need for regulation
 - 1) Caveat emptor
 - C Purpose of regulation
 - 1) Consumer protection
 - D Important real estate statutes and **rules**
- II) License Categories

Comment [LC7]: Insert new Key Terms in alphabetical order:
expungement
mutual recognition agreement
owner-developer
reciprocity
sealed

Comment [LC8]: Relocate to Section 4 (Brokerage Relationships)

Comment [LC9]: See new Key Terms comment

Comment [LC10]: Insert under D
1) Chapter 20, F.S.
2) Chapter 475, F.S.
3) Chapter 455, F.S.
4) Chapter 120, F.S.
5) Chapter 61J2, F.A.C

- A Broker
 - B Sales associate
 - C Broker associate
- III) General Licensure Provisions
- A Age
 - B High school diploma or its equivalent
 - C Honest, trustworthy, of good moral character
 - D Disclose if under investigation, convicted of a crime or ever entered a plea of *nolo contendere / no contest or guilty*
 - E Aliases–A/K/A
 - F Disclose if denied, or had a license disciplined or pending discipline in another jurisdiction
 - G Disclose if Denied, surrendered, or revoked license or registration to practice a regulated profession in any jurisdiction
 - H Guilty of any conduct or practice that would have been grounds for suspension or revocation under Chapter 475, F.S.
 - I U.S. citizenship (Chapter 455.10)
 - J Qualification of immigrants for examination (Chapter 455.11, F.S.)
 - K Requirement for United States social security number (Chapter 559, F.S.)
- IV) Application Requirements
- A License Fees
 - B Application form
 - 1) Responding accurately and completely to background information on the application
 - C Background check procedure
 - D ~~Period to check for errors and omissions~~ Summary of applicants (SOAs)
 - E ~~Period to inform applicant of approval or denial of application~~
 - F Rights of an applicant
 - G The length of time a licensure application is valid
 - 1) Initial application
 - 2) Exam eligible
 - ~~H~~ Reciprocity for U.S. armed service members and their spouses (455.02, F.S.)
 - ~~H~~ Nonresident application requirements
 - ~~I~~ Regulations pertaining to pre-license courses
 - J ~~Identify what is public record~~
- V) Sales Associate License Requirements
- A Education exemptions
 - B Sales associate pre license course
 - C State licensure examination
- VI) Broker License Requirements
- A Education exemptions
 - B Experience requirement
 - C Broker pre license course
 - D State licensure examination
- VII) Mutual Recognition Agreements with Other States
- A Florida resident defined
 - B Distinguish between mutual recognition and reciprocity
- VIII) Information included on the real estate license

Comment [LC11]: Under A insert
1) License fee exemptions (455.213, F.S. and 455.219, F.S.)

Comment [LC12]: Replace E
Application time periods

Formatted

Comment [LC13]: Not relevant to Section 2

- A Prima facie evidence that holder of a real estate license possesses current and valid licensure
- IX) Registration vs. Licensure
- X) License Renewal Education
 - A Post licensure requirement
 - B Continuing education
 - C Reactivation education
- XI) Real Estate Services
 - A Individuals who are required to be licensed
 - B Individuals who are exempt from licensure
- XII) Unauthorized Practice of Law

Comment [LC14]: Under A insert
1) Hardship cases

SECTION 3 REAL ESTATE LICENSE LAW AND COMMISSION RULES

Learning Objectives:

- 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

Comment [LC15]: Insert new LO
• Describe the scope and function of the DBPR and the DRE

Key Terms:

- active/inactive
- canceled
- cease to be in force
- current mailing address
- group license
- involuntarily inactive
- license authority voided
- multiple licenses
- null and void
- voluntarily inactive

Comment [LC16]: Insert new Key Terms in alphabetical order
current status
probation
promulgates

Outline

- I) Regulation by Department of Business and Professional Regulation
 - A Organizational structure
 - B Definitions; F.S. 455.01
 - C Legislative intent; requirements; F.S. 455.02
 - D Department powers and duties; F.S. 455.203
 - E Licensing examinations
 - F Licenses, fees, statuses, and renewal
 - 1) Active status
 - 2) Inactive status
 - (a) Voluntarily inactive status
 - (b) Involuntarily inactive status

Comment [LC17]: Under I) A insert
1) Division of Professions
2) Division of Service Operations
3) Division of Florida Condominiums, Timeshares, and Mobile Homes
4) Division of Real Estate

Comment [LC18]: Replace with F.S. 455.201

- 3) License ceases to be in force (F.S. 475.23)
- 4) Members of armed forces (F.S. 455.02)
- G Types of real estate license
 - 1) Multiple and group licenses
- II) Division of Real Estate
 - A Organizational structure
- III) The Florida Real Estate Commission; Rules Governing Internal Organization and Operation; 61J2-20
 - A Purpose of regulation
 - B General structure
 - 1) Composition and qualifications of members
 - 2) Term of office and compensation
 - 3) Legal counsel
 - 4) Meetings and minutes
 - C Duties and powers of the Commission
 - 1) ~~Specific areas of responsibility~~ Executive powers
 - 2) ~~Rule-making~~ Quasi-legislative powers
 - 3) ~~Education~~ Quasi-judicial
 - 4) ~~Discipline~~

SECTION 4

AUTHORIZED RELATIONSHIPS, DUTIES AND DISCLOSURE

Learning Objectives:

- 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-authorized** 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~~

Key Terms:

- agent
- caveat emptor
- consent to transition
- customer
- designated sales associate
- dual agent
- fiduciary
- general agent
- limited representation
- nonrepresentation
- principal
- residential sale
- single agent
- special agent
- subagency
- transaction broker

Outline

- I) Concept of agency
 - A Historical perspective of agency relationships
 - 1) Statutory law
 - 2) Common law
 - B Types of **agents**
 - 1) General agent
 - 2) Special agent
 - C Fiduciary relationships

Comment [LC19]: Redundant to 7th LO above

Comment [LC20]: Not relevant to Section 4

Comment [LC21]: Under I) A 2) insert 3) Administrative law

Comment [LC22]: Agency relationships in general business dealings

- 1) Dealing at arm's length
 - 2) Caveat emptor
 - 3) Dual agency
 - 4) Subagency
 - 5) Customer vs. client
- D ~~Agency~~-Brokerage relationships determined by broker
- II) Disclosure Requirements
- 1) Applies to residential sales only
 - 2) Disclosure requirements do not apply to:
 - 1) Non residential transactions
 - 2) The rental or leasing of real property, unless an option to purchase all or a portion of the property improved with four or fewer residential units is given
 - 3) Auctions
 - 4) Appraisals
 - 5) Dispositions of any interest in business enterprises or business opportunities, except for property with four or fewer residential units
- III) Authorized Brokerage Relationships
- A Nonrepresentation
- 1) Customer means a member of the public who is or may be a buyer or seller of real property and may or may not be represented by a real estate licensee in an authorized brokerage relationship
 - 2) Duties
 - (a) Dealing honestly and fairly
 - (b) Disclose all known facts that materially affect the value of residential property which are not readily observable to the buyer
 - (c) Accounting for all funds entrusted to the licensee
 - 3) Disclose the no brokerage relationship (nonrepresentation) notice in writing before the showing of property (Section 475.278(4)(b), F.S.)
- B Single agent relationship
- 1) Single agent is a broker who represents, as a fiduciary, either the buyer or seller but not both in the same transaction
 - 2) The party with whom a real estate licensee has entered into a single agent relationship is the principal
 - 3) Duties
 - (a) Dealing honestly and fairly
 - (b) Loyalty
 - (c) Confidentiality
 - (d) Obedience
 - (e) Full disclosure
 - (f) Accounting for all funds
 - (g) Skill, care and diligence in the transaction
 - (h) Presenting all offers and counteroffers in a timely manner
 - (i) Disclosing all known facts that materially affect the value of residential real property that are not readily observable
 - 4) Give the single agent disclosure before, or at the time of, entering into a listing agreement or an agreement for representation or before showing the property, whichever occurs first
 - 5) Required information on the disclosure per Statute
 - 6) Required format of the disclosure per Statute

- C Transaction broker relationship
 - 1) Presumption of transaction brokerage relationship
 - 2) Transaction broker means a broker who provides limited representation to a buyer, a seller, or both, in a real estate transaction, but does not represent either in a fiduciary capacity or as a single agent
 - 3) Transaction brokers provide a limited form of nonfiduciary representation to a buyer, a seller, or both in a real estate transaction
 - 4) Duties include:
 - (a) Dealing honestly and fairly
 - (b) Accounting for all funds
 - (c) Using skill, care, and diligence in the transaction;
 - (d) Disclosing all known facts that materially affect the value of residential real property and are not readily observable to the buyer
 - (e) Presenting all offers and counteroffers in a timely manner, unless a party has previously directed the licensee otherwise in writing
 - (f) Limited confidentiality, unless waived in writing by a party. This limited confidentiality will prevent disclosure that the seller will accept a price less than the asking or listed price, that the buyer will pay a price greater than the price submitted in a written offer, of the motivation of any party for selling or buying property, that a seller or buyer will agree to financing terms other than those offered, or any other information requested by a party to remain confidential
 - (g) Any additional duties that are mutually agreed to with a party
- IV) Consent to Transition From Single Agent to Transaction Broker
 - A A single agent relationship may be changed to a transaction broker relationship at any time during the relationship between an agent and principal, provided the agent gives the transition disclosure and the principal consents to the transition before a change in relationship
 - B Procedure
 - 1) Give the single agent disclosure before, or at the time of, entering into a listing agreement or an agreement for representation or before showing of property, whichever occurs first
 - 2) Give transition disclosure and secure consent (signature) from party
 - C Required information on the disclosure per Statute
 - D Required format of the disclosure per Statute
- V) Designated sales associate
 - A Non-residential transaction limitations
 - B Disclosure requirements
 - C Single agent duties
- ~~VI) Discipline~~
 - ~~A Violations and penalties~~
- VII) Record keeping and retention
 - A Documenting ~~agency~~ brokerage relationship disclosure

Comment [LC23]: See Section 6 (Violations of License Law, Penalties and Procedures)

Comment [LC24]: Insert VII) Terminating Brokerage Relationships

SECTION 5 REAL ESTATE BROKERAGE ACTIVITIES AND PROCEDURES

Learning Objectives:

- 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 sales associate who changes employers and/or address
- [Describe the regulations regarding lien rights for unpaid sales commission](#)
- [Contrast the features and requirements of the various types of business organizations](#)

Key Terms:

- arbitration
- blind advertisement
- commingle
- conflicting demands
- ~~conversion~~
- corporation (INC)
- deposit
- earnest money
- escrow account
- escrow disbursement order ([EDO](#))
- general partnership
- good-faith doubt
- interpleader
- kickback
- limited liability company (LLC)
- limited liability partnership (LLP)
- limited partnership
- litigation
- mediation
- ostensible partnership
- professional association (PA)
- point of contact information
- sole proprietorship
- trade name

Outline

Comment [LC25]: Rental lists are obsolete to the profession; however, still in 475.453, F.S. and 61J2 10.030, FAC. Should this be removed from the syllabus?

Comment [LC26]: Insert new Key Terms in alphabetical order
personal assistant
team advertising

Comment [LC27]: Relocated to Section 6 (Violations of License Law)

I) Brokerage offices

- A Sales associates must be registered and work under direction and control of broker's office or branch office

Comment [LC28]: Insert under
I) Brokerage offices
A . Broker office requirements
B Branch office requirements
1) . Sales associates must be registered and work under the direction and control of the employing broker
2) Sales associates may not have offices of their own and must work from the broker's office or branch office

- B Entrance Sign Requirements
- C Temporary shelters
- II) Guidelines for advertising ([475.01\(1\), F.S.](#))
 - A False or misleading advertising ([475.42\(1\)\(n\), F.S.](#))
 - 1) Penalties for false advertising
 - 2) ~~Unauthorized use of association names~~ ([61J2-10.027, F.A.C.](#))
 - B Any advertising must be worded so that a reasonable person knows that the advertiser is a real estate licensee
 - C "Blind" advertising is prohibited; it must always reveal the licensed name of the brokerage firm
 - D Any person advertising real estate services is interpreted as acting as a broker
 - E Sales associates cannot advertise or conduct business in his or her own name
 - F All types of Internet advertising
 - 1) Point of contact information

Comment [LC29]: Under II) E
 1) Personal information in advertisements
 2) Licensees selling their property by owner

III) ~~Handling of deposits~~ Escrow (Trust) Accounts

- A ~~Requirement to deposit in an escrow account monies received from a client or customer~~ Definition of escrow account and trust funds
 - 1) ~~Definition of escrow account~~ Acceptable depositories
 - 2) Sales associate must deliver funds to broker by end of next business day
 - 3) Meaning of "immediately" for a broker to deposit trust funds
 - 4) ~~Deposit notification if deposited with title company or attorney within 15 days~~
- B Management of escrow accounts
 - 1) If the account is interest bearing, requirement for written authorization for distribution of interest
 - 2) Requirement to inform broker immediately of any conflicting demands concerning disbursement of escrowed funds
 - 3) Good-faith doubt procedure when it is not clear which party should receive the escrowed property
 - (a) Situations that are considered good-faith doubt
 - 4) Settlement procedures
 - (a) Mediation
 - (b) Arbitration
 - (c) Litigation
 - (1) Interpleader
 - (2) Declaratory judgment
 - (d) Escrow disbursement order (EDO)

Comment [LC30]: After II) E insert
 F Team advertising
 1) Definition and requirements ([61J2-10.026, F.A.C.](#))
 2) Words that may not be used in team names
 G Internet sites
 1) Point of contact information
 H Telephone solicitation
 1) Prerecorded telemarketing calls
 2) Federal regulation
 3) State regulation ([501.604\(25\), F.S.](#))
 G Email advertising
 1) CAN-SPAM Act
 NOTE: Fax solicitation is listed in course outline but may be obsolete for course. Do we want to have BET remove the Junk Fax Prevention Act from content outline?

Comment [LC31]: Under III) B insert
 1) Signatory on escrow account (renumber)
 2) Interest bearing escrow accounts require written authorization for distribution of interest
 3) Broker must review, sign, and date monthly reconciliation statement
 4) Misappropriation of escrow funds
 (a) Comingle
 (b) Conversion
 (c) Failure to account or deliver
 5) Money to maintain escrow account
 (a) Sales escrow account
 (b) Property management escrow account
 6) Recordkeeping and retention
 7) Title company and attorney escrow accounts
 (a) Requirements ([61J2-14.008\(2\)\(b\), F.A.C.](#))
 8) Notice and settlement procedures
 (a) Conflicting demands
 (1) Sales associates must inform their broker immediately of conflicting demands

Comment [LC32]: Insert under 8) (a) (1) above

Comment [LC33]: Broker's sale of rental lists information is obsolete. Can this be removed from the syllabus? See additional comment under Learning Objectives.
 NOTE: If Rental Lists and Rental Companies is deleted, it requires renumbering the outline.

IV) Rental Lists and Rental Companies

- A Requirement
 - 1) Provide a receipt when offering rental information for a fee
 - (a) Required language under Rule [61J2-10.030, F.A.C.](#)
 - 2) Refund procedures
 - (a) Fail to attain rental
 - (b) Material misrepresentation
 - (c) Request must be made within 30 days
- B Penalties for advertising obsolete or otherwise inaccurate rental lists
 - 1) License suspension or revocation
 - 2) First degree misdemeanor

(a) Punishable by up to one year of imprisonment and/or fine of up to \$1,000

IV) Broker/Sales associate licensee as an expert in specific aspects of property transfer

- V) A Requirement to avoid offering an opinion of title since it can be relied on as expert opinion.
- B Ability to offer a representation of value, avoiding misrepresentation through exaggeration, etc.
- C Misrepresentation of value by a licensee as fraud, breach of contract, or breach of trust

~~D) Unauthorized practice of law~~

V) Broker's Commissions

- A "Fixing" commissions or fees is illegal
- B A Sales associate cannot contract directly with a principal
 - 1) The sales associate's commission is by agreement with the broker
 - 2) A sales associate cannot sue a principal over a commission
- C "Kickbacks" are legal only under limited conditions
 - 1) All parties to the transaction must be fully informed of the kickback
 - 2) It must not be prohibited by other law
 - 3) It is unlawful to share a commission with an unlicensed person, except for the seller or buyer of the property
 - 4) It is unlawful for a licensee to pay any unlicensed person for performing real estate services
- D ~~The details of commission agreements with sales associates should be part of a broker's policy manual~~

VII) Change of Employer

- A A sales associate must inform FREC about a change of employer
 - 1) Within ten days
 - 2) On a prescribed form
- B A Sales associate's obligation of confidentiality with respect to principals or the broker does not end with termination of employment
- C Duplication of records from a previous employer constitutes breach of trust, even if the one copying the records originated them, if done for the purpose of taking listings to the new employer
- D Removal of records from a previous employer's office constitutes theft

~~VIII) Unauthorized display of names or insignia of real estate organizations or associations is prohibited by FREC rules~~

~~IX) Change of address procedure and penalty for failure to notify FREC~~

~~X) X) Types of Business Entities~~

- A Entities that may register as a brokerage
 - 1) Sole proprietorship
 - 2) General partnership
 - 3) Limited partnership
 - (a) Ostensible partnerships are prohibited
 - 4) Corporation
 - (a) For profit
 - (b) Not for profit
 - 5) Limited liability company
 - 6) Limited liability partnership
- B Entities that may not register as a brokerage
 - 1) Corporation sole
 - 2) Joint venture

Formatted: Condensed by 0.05 pt

Formatted: Outline numbered + Level: 1
+ Numbering Style: I, II, III, ... + Start at: 4
+ Alignment: Left + Aligned at: 0.08" +
Indent at: 0.33"

Comment [LC34]: Recommend relocating Change of Employer VII) A-D to Section 3 (Real Estate License Law and Commission Rules)

Comment [LC35]: See II) above.

Comment [LC36]: See Section 3 (Real Estate License Law and Commission Rules)
IV E

- 3) Business trust
- 4) Cooperative association
- 5) Unincorporated associations

C A sales associate is prohibited from being an officer or director in a real estate brokerage corporation, or a general partner in a brokerage limited partnership

~~XI~~X Trade names [\(865.09, F.S.\)](#)

A ~~No trade name (fictitious name) may be used by a sales associate; sales associates must register under their true name only~~

Comment [LC37]: Insert under Trade Names

- A . DBPR registration of a trade name procedure
 - . 1) . Sales associates may not use a trade (fictitious) name
 - . 2) . Sales associates must register under their legal (personal) name
- B . DOS registration of a fictitious name
- C . Procedure to form a professional association in a sales associate's legal name (475.161, F.S.)

IX. . Personal Assistants

- . A . Permissible activities of unlicensed personal assistants
- . B . Licensed personal assistants
- . C . Procedure for compensating personal assistants

SECTION 6 VIOLATIONS OF LICENSE LAW, PENALTIES AND PROCEDURES

Learning Objectives:

- Explain the procedures involved in the reporting of violations, the investigation of complaints and the conduct of hearings
- Define the elements of a valid complaint
- Discuss the composition of the probable-cause panel
- Recognize events that would cause a license application to be denied
- Distinguish 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 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~~ Distinguish among the various penalties that may be issued by a court of law
- ~~Provide Examples of Unlicensed Practice of Law~~
- ~~Illustrate Presumptions for a Party Performing Real Estate Services~~

Key Terms:

- breach of trust
- citation
- complaint
- ~~commingle~~
- concealment
- ~~conversion~~
- culpable negligence ~~failure to account for and deliver~~
- formal or administrative complaint
- fraud
- legally sufficient
- ~~mediation~~
- misrepresentation
- moral turpitude
- notice of noncompliance
- probable cause
- recommended order
- stipulation
- subpoena
- summary/emergency suspension order
- voluntary relinquishment for permanent revocation

Outline

- I) Disciplinary Procedure (~~Chapters 120, F.S.; 455, F.S.; 475, F.S.; 60Q and 61J2 of the Florida Administrative Code~~)
 - A The complaint (475.25, F.S. and 455.225, F.S.)
 - 1) Filed with DBPR

Comment [LC38]: Refer to Section 5 Key Terms (Real Estate Brokerage Activities and Procedures) for deleted terms

2) The complaint must be legally sufficient

- 3) Notice of noncompliance for first-time offense of a minor violation
- B ~~DBPR~~ DRE conducts investigation
 - 1) Anonymous complaints
 - 2) Withdrawal of complaints
 - 3) When an investigation of a subject is undertaken the DBPR forwards a copy of the complaint to the subject (~~notice exception~~ except for criminal violation)
 - 4) Investigative report is submitted by legal to the probable-cause panel
- C Probable-cause Panel
 - 1) Composition of probable-cause panel
 - 2) Purpose is to determine whether probable cause exists
 - 3) Letter of guidance
- D ~~If probable cause is found, a formal/administrative complaint is filed~~
- E Licensee is entitled to an informal or a formal hearing
 - 1) Election of rights form
 - 2) If no dispute of material fact the case can be presented in an informal hearing before the FREC
 - 2)3) Waiver hearing
- F Settlement Stipulation
- G Voluntary Relinquishment for Permanent Revocation
- II) Commission meeting (probable-cause panel members are excused)
 - A Formal hearings are conducted by administrative law judges
 - 1) hears evidence
 - 2) makes findings of fact
 - 3) submits a recommended order to FREC
 - B FREC (probable-cause members excused) consider the administrative law judge's report and recommended order and then issues a final order
 - 1) Summary/Emergency suspension order
 - C Judicial Review (appeal process)
 - 1) Stay of enforcement
 - 2) Writ of supersedeas
- III) Violations and Penalties
 - A ~~The Florida Real Estate Commission is authorized to:~~ Administrative penalties
 - 1) Deny a license application
 - (a) Grounds for denial
 - 2) ~~Refuse to renew~~ Refusal to recertify a license for renewal
 - 3) Suspend a license up to 10 years
 - 4) Revoke a license
 - (a) ~~Exceptions to permanent revocation~~
 - (1) ~~Filed for renewal without complying with the continuing or post-licensing education requirement~~
 - (2) ~~Filed an application for licensure which contained false or fraudulent information~~
 - (b) ~~Revoke without prejudice~~
 - 5) ~~Issue citations~~
 - 6) ~~Impose a fine~~
 - (a) ~~Maximum \$5,000 per violation of Chapter 455, F.S.~~
 - (b) ~~Maximum \$5,000 per violation of Chapter 475, F.S.~~
 - 7) ~~Impose probation~~

Comment [LC39]: D Formal (administrative complaint)
 1) . If probable caused is found, a formal (administrative) complaint is filed
 2) Formal complaint consisting of allegations of facts and charges against the licensee is sent to the address of record (455.225, F.S.)

Comment [LC40]: Relocate to B . 5)

Comment [LC41]: Insert after III) A . 2)
 B Penalties issued by DRE
 1) . Notice of noncompliance (61J2-24.003, F.A.C.)
 2) Citation (61J2-24.002, F.A.C.)
 C . Penalties issued by FREC
 1) Reprimand
 2) . Denial of license application
 3) Probation
 4) . Administrative fine
 (a) . Maximum \$5,000 per violation of Chapter 455, F.S.
 (b) . Maximum \$5,000 per violation of Chapter 475, F.S.
 5) Suspend a license up to 10 years
 6) . Revoke a license
 (a) . Permanent
 (b) . Revoke without prejudice

- 8) ~~Issue notice of noncompliance~~
- 9) ~~Mediation~~

B Violations and recommended penalties (see Disciplinary Guidelines, 61J2-24.001, F.A.C.)

Comment [LC42]: Renumber D

C Penalties that may be issued by a court of law

Comment [LC43]: Renumber E

- 1) Second degree misdemeanor
- 2) First degree misdemeanor
 - (a) Failing to provide accurate and current rental information for a fee
- 3) Civil penalties
 - (a) Denial and recovery of compensation
- 4) Third degree felony
 - (a) Unlicensed activity
 - (1) Fine of not more than \$5,000 and/or up to 5 years in jail
 - (b) Falsifying an application

Comment [LC44]: Under E 4) Third degree felony insert
(a) Making misleading statement or giving false information on a DBPR license application
(b) Conducting unlicensed activity
(c) Theft or reproduction of a DBPR license exam
5) Criminal penalties
F . Requirement to self-report (455.227(1)(t), F.S.)

IV) Real Estate Recovery Fund

- A Applies to real estate brokerage transactions:
 - 1) Involving Florida real estate
 - 2) Involving a licensee under Chapter 475, F.S
 - 3) Violating any part of Chapter 475, F.S.
- B Persons *not* qualified to make a claim
- C Payment for claims from the fund
- D Authorized fund limit and fees

Comment [LC45]: Under IV) D insert
1) Compensatory damages only
E . Mandatory suspension
F . Recovery fund claim resulting from an EDO
1) . Fees eligible to recover

SECTION 7

FEDERAL AND STATE LAWS PERTAINING TO REAL ESTATE

Learning Objectives:

- Explain the significance of the Jones vs. Mayer court case
- List the real estate included under the different fair housing acts
- Recognize the groups protected under the 1968 Fair Housing Act
- List the property exempt from the 1968 Fair Housing Act [and the protected classes](#)
- ~~Understand the provisions of~~ [List the two protected classes added to](#) 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

Key Terms:

- blockbusting
- familial status
- handicap status
- property report
- public accommodation
- redlining
- subdivided land
- steering

Outline

I) Federal Laws

- A Civil Rights Act of 1866
 - 1) Jones v. Mayer case
- B Civil Rights Act of 1964
- C Civil Rights Act of 1968
 - 1) Fair Housing Act of 1968 and amendments
 - (a) Prohibits discrimination in sales, leasing, advertising sales or rentals, financing or brokerage services
 - (b) ~~Protection from discrimination based on~~ [Protected classes included](#) race, color, religion, sex, national origin, ~~handicap or familial status~~
 - (1) Familial status ~~defined~~
 - (2) Handicap status ~~defined~~
 - (c) Groups not covered [under the Fair Housing Act](#)
 - (1) Marital status
 - (2) Age
 - (3) Occupation
 - (d) Two categories of housing covered by the 1968 Fair Housing Act:
 - (1) Single-family
 - (2) Multifamily
 - (e) Real estate transactions exempted under the Act
 - (f) Acts prohibited:

Comment [LC46]: Under I) C . 1) (b) insert
D . 1988 Fair Housing Amendments Act

(1) Refusing to rent

- (2) Quoting different terms
 - (3) Discriminatory advertising
 - (4) Steering
 - (5) Blockbusting
 - (6) Redlining
 - (7) Denying membership
 - (8) False statements regarding availability
 - (g) Housing for older persons
 - (h) Equal housing opportunity poster
 - (i) Enforcement of the Fair Housing laws
 - (1) Complaints filed with HUD under the 1968 Fair Housing Act (as amended)
 - (2) Civil suits filed in Federal district court
 - (3) Action taken by the Department of Justice
 - (j) Responsibility and liability of real estate licensees
- D Americans with Disabilities Act of 1990
- (1) Access to public transportation, public accommodation and commercial facilities
 - (2) New construction and renovation of public accommodations and commercial facilities
 - (3) Florida Americans with Disabilities Accessibility Implementation Act (553.503 and 553.504, F.S.)

Comment [LC47]: Insert
 (h) Special exemptions under the Act
 (1) Religious organizations
 (2) Private clubs
 (renumber)

Comment [LC48]: Insert
 (i) Florida Fair Housing Act (760.21, F.S.)
 (renumber)

E Interstate Land Sales Full Disclosure Act

II) ~~State Laws~~ Florida Residential Landlord and Tenant Act

~~1) Florida Fair Housing Law~~

~~2) 1) Florida Americans with Disabilities Accessibility~~

~~Implementation Act - C Florida Residential Landlord and Tenant Act~~

- (1) Overview of the law
- (2) Deposits and advance rents
- (3) Landlord's obligation to maintain premises
- (4) Tenant's obligations
- (5) Landlord's access to premises
- (6) Vacating premises
- (7) Termination of rental agreements by the tenant
- (8) Termination of rental agreements by the landlord
- (9) Eviction procedure

Comment [LC49]: Renumber beginning with A

Comment [LC50]: Insert under II) . B
 Deposits and advance rents
 (1) Broker property management
 (2) Renting to active military service members
 (3) Selling tenant-occupied homes

SECTION 8

PROPERTY RIGHTS: ESTATES AND TENANCIES; CONDOMINIUMS, COOPERATIVES, COMMUNITY DEVELOPMENT DISTRICTS, HOMEOWNER ASSOCIATIONS AND TIME-SHARING

Learning Objectives:

- 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

Key Terms:

~~community development districts~~

- condominium
- cooperative
- declaration
- estate for years
- exempt property
- fee simple estate
- fixture
- freehold estate
- ~~homeowner associations~~
- homestead
- joint tenancy
- land
- leasehold estate
- life estate
- personal property
- proprietary lease
- Prospectus
- real estate
- real property
- remainderman
- right of survivorship
- separate property
- tenancy at sufferance
- tenancy at will
- tenancy by entireties
- tenancy in common
- time-share

Comment [LC51]: Deleted Key Terms see Section 11 (Real Estate Contracts)

Outline

- I) Land, Real Estate and Real Property
 - A Definition of real property (Section 475.01, F.S.)
 - B Physical components of real property
 - 1) Surface rights
 - 2) Subsurface rights
 - 3) Air rights
 - C Water rights
 - 1) Riparian rights
 - 2) Littoral rights
 - 3) Accretion and erosion
 - 4) Alluvion and Reliction
- II) Real Versus Personal Property
 - 1) Real property is basically land and improvements on the land
 - 2) Personal property usually consists of items having a limited life, which are easily movable from one place to another
 - 1) Personal property (or *chattel*, or *personalty*) includes any property that is not real property
 - 3) Fixtures
 - 1) A fixture is an item that was once personal property, but is now legally considered to be real property
 - 2) Legal tests of determination:
 - (a) Intent of the parties
 - (b) Method or degree of attachment
 - (c) Agreement and/or relationship of the parties
 - (d) Adaptation of the item
 - 3) Listing and sale contracts should clearly specify which items are considered real property in the transaction and any personal property that is to be included
 - 4) Definition of a trade fixture
 - 1) Fixture versus trade fixture
- III) Basic Property Rights
 - A "Bundle of Rights" include the rights of:
 - 1) Possession
 - 2) Enjoyment
 - 3) Disposition
 - 4) Control
 - 5) Exclusion
- IV) Freehold Estates
 - A An estate refers to the degree, quantity, nature and extent of interest (ownership rights) a person can have in real property
 - B Estates are divided into two general groups:
 - 1) Freehold estates which are for an indefinite length
 - 2) Leasehold estates (or nonfreehold) which are for a fixed term
 - C Freehold estates include:
 - 1) Fee simple estate
 - (a) Fee, fee simple, fee simple absolute. . .defined as the largest bundle of rights we have. All three terms mean the same thing. Most titles are held in fee.

- 2) Life estate
 - (a) Conventional life estates are created by action of the grantor
 - (1) Use during life of holder or whoever's life the interest is based on.
Often used by husband for wife with children as *remaindermen*
 - (2) Remainder estate
 - (3) Reversion estate
 - (b) Legal life estates are created automatically by law
 - (1) Homestead is a legal life estate
 - (i) Homeowner's principal residence is protected from certain creditors
 - (ii) Not protected from real estate property taxes or from a mortgage for purchase or cost of improvements
- V) How Ownership Can Be Held
 - A Severalty—sole ownership. Only one party is needed to sign deed (Spouse must sign if homesteaded)
 - B Co-ownership
 - 1) Tenancy in common
 - 2) Joint tenancy with right of survivorship
 - (a) Creating a joint tenancy
 - 3) Tenancy by the entireties
- VI) Leasehold (Nonfreehold) Estates
 - A An interest in real property for a definite period (measured in calendar time)
 - B Types of leasehold estates
 - 1) Estate for years
 - 2) Tenancy at will
 - 3) Tenancy at sufferance
- VII) Cooperatives, Condominiums, ~~Community Development Districts (CDD), Homeowner Associations (HOA)~~ and Time-Sharing
 - A Cooperatives
 - 1) Own stock in a corporation
 - 2) Stock ownership carries right of occupancy through a proprietary lease
 - 3) ~~Corporation pays property tax; each shareholder pays prorata~~
 - 4) Transfer is accomplished by sale of stock
 - 5) Disclosures required by The Cooperative Act (F.S. 719)
 - B Condominiums
 - 1) Own individual unit in fee simple
 - 2) Undivided interest in common areas
 - 3) Property tax levied on individual unit
 - 4) Transfer by deed
 - 5) ~~Declaration and bylaws~~ [Condominium documents](#)
 - (a) ~~Rights and obligations of condominium owners~~
 - 6) Disclosures required by The Condominium Act (F.S. 718)
 - C Time-Share
 - 1) Share ownership or right of occupancy for a time interval in a unit
 - 2) Legal formats
 - (a) Interval ownership
 - (b) Right-to-use
 - 3) Disclosures required under Florida Vacation Plan and Time-Sharing Act (F.S. 721) and Rule 61J2-~~23~~, F.A.C.

Comment [LC52]: See Section 11 (Real Estate Contracts)

Comment [LC53]: VII A . 3) Property taxes and special assessments are assessed against each unit
 (a) . Taxes and special assessments create a lien only on the individual unit
 (b) Corporation pays the property tax bill and shareholders pay a pro rata share

Comment [LC54]: Insert and cancellation period

Comment [LC55]: VII B . 5) insert
 (a) Declaration
 (b) . Articles of incorporation
 (c) Bylaws
 (d) . Frequently asked questions and answers (FAQ)

Comment [LC56]: VII B . 6) insert
 (a) Condominium units sold by a developer
 (b) Resale condominium units sold by a unit owner

Comment [LC57]: VII . C . 3) . insert:
 (a) Time-share resale listing agreement disclosure
 (b) . Time-share resale contract disclosure
 (c) Right to cancel the purchase agreement
 4) . Licensure requirements and exemptions

~~D~~ HOA (Chapter 720, F.S.)

1) Define

2) Disclose

~~E~~ CDD (Chapter 190, F.S.)

1) Define

2) 1) Disclose

Comment [LC58]: See Section 11

SECTION 9

TITLE, DEEDS AND OWNERSHIP RESTRICTIONS

Learning Objectives:

- 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 [and liens](#)

Key Terms:

- abstract of title
- acknowledgment
- actual notice
- adverse possession
- alienation
- assignment
- chain of title
- condemnation
- construction lien
- constructive notice
- deed
- deed restriction
- easement
- eminent domain
- encroachment
- escheat
- further [assistance](#) [assurance](#)
- general warranty deed
- grantee
- granting clause
- grantor
- gross lease
- ground lease
- habendum clause
- intestate
- lien
- net leases
- percentage lease
- police power
- quiet enjoyment
- quitclaim deed
- seisin

- sublease
- testate
- title
- variable lease
- warranty forever

Outline

- I) Concept of Title
 - A Ownership in a bundle of rights
 - B Legal vs Equitable title
 - C Transferred voluntarily or involuntarily by operation of law
- II) Transfer by Voluntary Alienation
 - A Deed
 - 1) When real property is sold or conveyed by gift
 - B Will
 - 1) Parties to a will
 - a) Deceased person who made the will is called a testator (if a male) or a testatrix (if female)
 - b) Devisee is the person receiving real property, or beneficiary if it is personal property
 - 2) Property conveyed by will
 - a) Devise if its real property
 - b) Bequest if its personal property
- III) Transfer by Involuntary Alienation
 - A Transfer by descent
 - 1) Person who dies without a will died intestate
 - 2) A form of involuntary alienation because the state (not the deceased) determines the disposition of property
 - 3) Passes to legal descendants known as heirs
 - B Escheat
 - 1) Provides for the property of a person who dies intestate and who has no known heirs to pass to the state
 - C Eminent domain
 - 1) Governmental power to *take* land from an owner through the legal process called condemnation
 - D Adverse possession
 - 1) Conditions for alienation by adverse possession
- IV) Notice to Legal Title
 - A Actual notice
 - B Constructive notice
 - 1) Acknowledgment
 - 2) Lis Pendens
- V) Protection of Title
 - A Title companies
 - B Chain of title vs. Abstract of title
 - C Title opinion
 - D Title insurance
 - 1) Owner's policy
 - 2) Lender's policy

Comment [LC59]: V) C insert
 1) Giving opinions of title (475.25, F.S. and 61J2-24.001(3), F.A.C.)

VI) Deeds

A Parties to the deed

- 1) Grantor
- 2) Grantee

B Parts of a deed

- 1) ~~Grantor and grantee~~ Premises
- 2) Consideration
- 3) Words of conveyance (granting clause)
- 4) Interest or estate being conveyed (habendum clause)
- 5) Deed restrictions
- 6) Exceptions and reservations
- 7) Appurtenances
- 8) Legal description of property
- 9) Voluntary delivery and acceptance
- 10) Signature of the grantor and two witnesses

Comment [LC60]: VI) B . 4) insert before 5)
Covenant of seisin
(renumber)

C Requirements for a valid deed

- 1) The deed must be in writing (Statute of Frauds)
- 2) The names of grantor and grantee
- 3) Grantor must have legal capacity
- 4) Consideration must be described
- 5) A granting clause or words of conveyance
- 6) A habendum clause must define the quality of the ownership interest being conveyed
- 7) Legal description of the property being transferred
- 8) Grantor must sign
- 9) Delivery and acceptance

Comment [LC61]: Relocate to VI) C . 8)

D Types of statutory deeds

- 1) General warranty deed
- 2) Special warranty deed
- 3) Bargain and sale deed
- 4) Quitclaim deed
- 5) Special purpose deeds
 - (a) Personal representative's deed
 - (b) Guardian's deed
 - (c) Committee's deed
 - (d) Tax deed

Comment [LC62]: VI) C . 9) insert
Voluntary delivery and acceptance

Comment [LC63]: VI) D . 1) insert
(a) Covenant of further assurance
(b) . Covenant of quiet enjoyment
(c) Covenant of warranty forever

E Deed Clauses

- 1) Covenant of seisin
- 2) Covenant against encumbrances
- 3) Covenant of quiet enjoyment
- 4) Covenant of further assurance
- 5) Covenant of warranty forever

Comment [LC64]: Delete all of E
(redundant)

F Legal requirements

VII) Ownership Limitations and Restrictions

A Government restrictions

- 1) Police power
- 2) Eminent domain
- 3) Taxation

B Private restrictions

- 1) Deed restrictions
 - (a) Restrictive covenants
- 2) Easements
 - (a) Appurtenant
 - (b) In gross
 - (c) By prescription
 - (d) By necessity
 - (e) Implied easement
 - (1) encroachment
- 3) Leases
 - (a) Types of leases
 - (1) Gross
 - (2) Net
 - (3) Percentage
 - (4) Variable/Index
 - (5) Ground
 - b) Assignment
 - c) Sublease
 - ~~d) Sale subject to lease~~
- 4) Liens
 - (a) ~~What is a lien~~ [Liens defined](#)
 - (b) Types
 - (1) Voluntary
 - (2) Involuntary
 - (c) Classifications
 - (1) General
 - (i) Judgment
 - (ii) Income tax
 - (iii) Estate tax
 - (2) Specific
 - (i) Property tax & special assessment
 - (ii) Mortgage
 - (iii) Vendors
 - (iv) Construction (mechanics/materialman's)
 - (d) Lien priority
 - (1) Satisfaction
 - (i) Superior
 - (ii) Junior

Comment [LC65]: See Section 7 under Florida Landlord Tenant Act

SECTION 10 LEGAL DESCRIPTIONS

Learning Objectives:

- 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 description, and convert to square feet
- Explain the use of assessor's parcel numbers
- Apply the measurements associated with checks, townships and sections

Key Terms:

- base line
- ~~benchmark~~
- check
- ~~datum~~
- government survey system
- legal description
- lot and block
- metes and bounds
- monument
- point of beginning
- principal meridian
- range
- section
- survey
- ~~terminus~~ tier
- township
- township line/~~tier~~

Outline

- I) Purpose of Legal Descriptions
 - A A legal description is a method of describing the location of real estate that will be accepted by a court
 - 1) Established boundary lines
- II) Types of Legal Descriptions
 - A Metes-and-Bounds
 - 1) Oldest method of land description
 - 2) *Metes* refers to *distance* (measured in feet) and *bounds* refers to *direction*
 - 3) Begin with reference point called a point of beginning (POB)
 - 4) Monuments are fixed objects used to establish boundaries

- 5) Compass bearings are used to describe the direction of the boundary lines
 - (a) Circle = 360°
 - (b) Directions given in degrees ($^\circ$), minutes ($'$) and seconds ($''$)
 - (c) For example, N $45^\circ 25' 20''$ E = North 45 degrees, twenty-five minutes, 20 seconds East

B Government Survey System

- 1) Based on the logic that you can identify any point on a plane by reference to two axes
- 2) Primary reference lines running in a north-south direction are called principal meridians and lines running in an east-west direction are called base lines
- 3) Range lines run north-south every 6 miles. The north-south strip of land formed by two range lines is called a range
- 4) Township lines run east-west every 6 miles. The east-west strip of land formed by two township lines is called a tier or township
 - (a) Numbering system of township lines and ranges
- 5) Intersection of two range lines and two township lines form a 6-mile square called a township
 - (a) There are 36 sections in a township
 - (b) Numbering system of sections within townships
- 6) Correction lines
- 7) Using the government survey system
 - (a) Locating sections
 - (b) Subdividing sections
 - (c) Calculating size
 - (d) "And" in legal description
- 8) Fractional sections and government lots

C Lot and block survey method

- 1) Also called recorded plat method
- 2) Recorded survey called a plat map
- 3) Platted subdivision divided into blocks and lots

III) Assessor's Parcel Number

A To aid in the assessment of property for tax collection

B Tax maps based on recorded plat maps

- 1) Other land in county

C Assessment roll

- 1) Every parcel in county listed by parcel number
- 2) Shows owner's name and address of record
- 3) Assessed value of land and structures

IV) Preparation and Use of Surveys

A **Benchmarks**

SECTION 11 REAL ESTATE CONTRACTS

Learning Objectives:

- List and describe the essentials of a contract
- Distinguish among formal, parol, 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

Key Terms:

- assignment
- attorney-in-fact
- bilateral contract
- competent
- contract
- culpable negligence
- exclusive-agency listing
- exclusive-right-of-sale listing
- fraud
- liquidated damages
- meeting of the minds
- net listing
- novation
- open listing
- option contract
- Statute of Frauds
- Statute of Limitations
- unenforceable
- unilateral contract
- valid contract
- void contract
- voidable contract

Outline

- I) Contracts in General
 - A Definition of a contract
 - B Preparation of contracts
 - C Statute of Frauds
 - D Statute of Limitations
 - E Void, voidable and unenforceable contracts

Comment [LC66]: See Section 6 (Violations of License Law)

Comment [LC67]: I) A insert
1) Types of contracts real estate licensees may assist buyer and sellers

II) Essentials Elements of a Valid Contract

- A Contractual capacity of the parties
- B Offer and acceptance
- C Legality of object
- D Consideration

III) Authority of Real Estate Licensees to Prepare Contracts

IV) Classification of Contracts

- A Bilateral or unilateral contracts
- B Expressed or implied contracts
- C Executory or executed contracts
- D Formal or informal contracts

V) Contract Negotiation

- A Parties to offer
 - 1) Offeror
 - 2) Offeree
- B Ways an offer is terminated

VI) Termination of Contracts

- A Methods of terminating contracts
- B Remedies for breach
- C Assignment of contracts

VII) Contracts Important to Real Estate

A ~~Employment Agreements~~ Listing agreements (employment agreement)

- 1) Conditions created by listing agreements
- 2) Information included in listing agreements (475.25, F.S. and 61J2-24.002)
- 3) Types of listings:
 - (a) Open listing
 - (b) Exclusive-agency listing
 - (c) Exclusive-right-of-sale listing
 - (d) Net listing
- 4) Buyer broker agreement

B Sales contracts

- 1) Contract negotiation
 - (a) Offers and counteroffers
 - (b) Acceptance
- 2) Earnest money deposits
- 3) Equitable title
- 4) Information included in sales contracts
 - (a) Date, time and place of closing
 - (b) Purchase price
 - (c) Financing terms
 - (d) Quality of title to be conveyed
 - (e) Type of deed
 - (f) Items of personal property included
 - (g) Type of evidence of title to be provided
 - (h) Items to be prorated
- 5) Required disclosures
 - (a) Radon gas disclosure (404.056, F.S.)
 - (b) Energy efficiency disclosure

Comment [LC68]: Covered under I) B above
Renumber

Comment [LC69]: VII) . A 2) insert after 2)
3) Multiple listing service
Renumber

Comment [LC70]: VII) . A 4) insert
5) Broker's compensation
6) Procuring cause

Comment [LC71]: VII) . B 4) . (h) insert
Spouse's signature
Power to bind the seller or the buyer
Re-letter

- (c) Lead-based paint disclosure
- (d) Homeowner association disclosure [\(720.401, F.S.\)](#)
- (e) Flood insurance disclosure
- ~~(f) Condominium and cooperative disclosures~~
- ~~(g)(f)~~ Property tax disclosure [\(689.261, F.S.\)](#)
- ~~(h)(g)~~ Building code violation disclosure [\(125.69, F.S.\)](#)
- ~~6) FAR/BAR contract forms~~
- ~~7) Disclosure of defects that materially affect the value of residential property~~ [Material defects disclosure](#)
 - 1) Johnson vs. Davis
 - 2) "As is" provision
 - 3) Duty for licensees to disclose
- ~~C~~ Option contracts
- ~~D~~ [Installment sale contract](#)
- VIII [Misrepresentation and Fraud](#) ~~Miscellaneous Real Estate Contract Considerations~~
 - ~~A~~ Procuring cause
 - ~~B~~ Telephone solicitation laws
 - ~~C~~ Multiple listing service
 - D Ethical practices
 - 1) When in doubt disclose
 - 2) Fraud
 - 3) Culpable negligence

Comment [LC72]: See Section 8 (Property Rights: Condominiums, Cooperatives and Time-sharing)

Comment [LC73]: Insert Community development district (CDD) disclosure

Comment [LC74]: NOTE: Removed FAR/BAR contract form because different counties use various contracts. Suggest adding Material defects disclosure with the other required disclosures

Comment [LC75]: Insert Information that is not a material fact (689.25, F.S. and 760.50, F.S.)

Comment [LC76]: VII C . Option contracts insert
 1) Unilateral contract
 2) . Consideration
 3) Information required
 4) . Licensee requirements (475.43, F.S.)

Comment [LC77]: See Unit 18 (Taxes Affecting Real Estate)

SECTION 12

RESIDENTIAL MORTGAGES

Learning Objectives:

- 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

Key Terms:

- acceleration clause
- assumption
- blanket mortgage
- buydown
- contract for deed (land contract)
- defeasance clause
- deed in lieu of foreclosure
- discount points
- due on sale clause
- equity
- equity of redemption
- escrow
- estoppel certificate
- hypothecation
- interest
- lien theory
- lis pendens
- land development loans
- loan origination fee
- loan servicing
- loan-to-value ratio
- mortgage
- mortgagee
- mortgagor
- note
- novation [agreement](#)
- partial release clause
- PITI
- prepayment clause
- prepayment penalty

- receivership clause
- right to reinstate
- satisfaction of mortgage
- short sales
- subject to
- subordination agreement
- take-out commitment
- title theory

Outline

I) Mortgage concepts

A Mortgage law

- 1) Title theory
- 2) Lien theory

B Loan instruments

- 1) Promissory note (essential elements)
- 2) Mortgage instrument
 - (a) Parties to a mortgage
 - (b) Satisfaction of mortgage
- 3) Hypothecation

C First mortgages versus junior mortgages

- 1) Determining what priority a mortgage lien has
- 2) Subordination agreements

II) Essential elements of the mortgage

A Important mortgage provisions

- 1) Promise to repay
- 2) Taxes and liens insurance
- 3) Covenant of good repair

B Other mortgage provisions

- 1) Prepayment clause
 - (a) Prepayment penalty clause
- 2) Acceleration clause
- 3) Right to reinstate
- 4) Due on sale clause
- 5) Defeasance clause

III) Common mortgage features

A Down payment

B Loan-to-value-ratio

- 1) Equity

C Interest

D Loan servicing

E Escrow (impound) account

- 1) PITI

F Discount points

G Loan origination fee

H Take out commitment

IV) Assignment of the mortgage

A Estoppel certificate

V) Methods of Purchasing Mortgaged Property

Comment [LC78]: Under I) B . 1) insert Fannie Mae/Freddie Mac Uniform Florida Fixed-Rate Note for single-family property

Comment [LC79]: Under II) . A . 2) . insert
 3) Property insurance
 4) . Occupancy
 5) Maintenance and covenant of good repair

Comment [LC80]: Under III) . B . 1) . insert
 (a) Current market value – mortgage debt = equity

Comment [LC81]: Relocate to Land development loans and construction loans VI below

Comment [LC82]: Insert at end of line Encumbered by an Existing Mortgage Loan

- A Provisions under subject to the mortgage
 - B Provisions under assumed mortgage
 - 1) Effects of due on sale clause
 - 2) Novation
 - C Contract for deed (land contract)
 - 1) Distinguish a contract ~~from~~ for deed from a normal sales contract and a mortgage
 - 2) Advantages and disadvantages of contract for deeds
 - 3) How a contract for deed is typically used
- VI) Default
- A Consequence of default
 - B Judicial versus nonjudicial foreclosure
 - 1) Deed in lieu of foreclosure
 - 2) Lis pendens
 - C Rights of mortgagor in foreclosure
 - 1) Equity of redemption
 - D Rights of mortgagee
 - 1) Surplus money action
 - E Results of foreclosure
 - 1) Effect on mortgagor/owner
 - (a) Deficiency judgments
 - (b) Effect on creditors or other claimants to title
 - (c) Effect on mortgagee
 - (d) Effect on title
 - F Short sales

Comment [LC83]: Under V) C . 3) insert
 V) . Land Development Loans and Construction Loans
 A . Land development loans overview
 B . Construction loans overview
 . 1) Blanket mortgage loans
 . 2) . Takeout commitment
 C . Buydown
 Re-number VII) Default

Comment [LC84]: Under VII) . F insert
 G . Income property foreclosure
 . Receivership clause

SECTION 13

TYPES OF MORTGAGES AND SOURCES OF FINANCING

Learning Objectives:

- 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

Key Terms:

- adjustable rate mortgage (ARM)
- amortized mortgage
- balloon payment
- biweekly mortgage
- conforming loan
- [conventional mortgage loan](#)
- disintermediation
- [home equity conversion mortgage \(HECM\)](#)
- home equity loan
- index
- intermediation
- level payment plan
- lifetime cap
- margin
- [mortgage insurance premium \(MIP\)](#)
- mortgage broker
- mortgage fraud
- mortgage loan originator ([MLO](#))
- negative amortization
- nonconforming loans
- [nonconventional loan](#)
- package mortgage
- partially amortized/balloon mortgage
- payment cap
- periodic cap
- purchase money mortgage
- reverse ~~annuity~~ mortgage ([HECM](#))

- teaser rate
- UFMIP

Outline

- I) Conventional mortgages
 - A Neither government insured nor guaranteed
 - 1) Down payment and LTV ratio

- B Conventional mortgage loan features**PMI**

- 1) Qualifying ratios
 - 2) Interest rate
 - 3) Assumption
 - 4) Prepayment

Comment [LC85]: Under B 1) . insert
(a) Housing expense ratio calculation
(b) . Total obligations ratio calculation

- II) Common Types of Mortgages

- A Amortized mortgage

- 1) Monthly payment is constant for term of mortgage
 - 2) As loan is paid off, amount applied to principal increases as amount applied to interest decreases
 - 3) 30-year and 15-year terms
 - 4) Amortizing a level-payment plan mortgage

Comment [LC86]: Under I) B . 4) insert
Down payment and private mortgage insurance (PMI)
Loan to value ratio (LTV)
(renumber)

- B Adjustable rate

- 1) Mechanics of an adjustable rate mortgage
 - 2) Components of an ARM
 - (a) Index
 - (b) Margin
 - (c) Adjustment interval
 - (d) Interest rate caps
 - (1) Periodic caps
 - (2) Lifetime cap
 - (e) Payment caps
 - (1) Negative amortization
 - (2) How negative amortization can result from payment caps
 - (f) Teaser rates

Comment [LC87]: Revise 4) to
Components of a mortgage amortization table

Comment [LC88]: Under
II) . B 2) . (b) insert
. Calculated interest rate

- III) Custom mortgages

- A Partially amortized mortgage

- 1) Balloon payment

- B Biweekly mortgage

- C Package mortgage

- D Home equity loans

- E Purchase money mortgage

- F Reverse annuity mortgage

Comment [LC89]: Under D Home equity loan . insert
(a) Home equity line of credit (HELOC)

- IV) Government Insured FHA Program

- A Purpose of FHA

- B Characteristics of FHA mortgage loans

- 1) Loan insurance
 - 2) Lending source
 - 3) Discount points
 - 4) Amount of down payment
 - 5) Loan limit
 - 6) Insured commitment
 - 7) Insurance premium
 - (a) UFMP

Comment [LC90]: Under III) . E insert
1) Seller financing for part of purchase price
2) Seller takes back loan from buyer

Comment [LC91]: Revise F . Home equity conversion mortgage (HECM) or reverse mortgage loan

Comment [LC92]: Revise
Down payment

(b) MIP

- 8) Qualifying ratios
- 9) Interest rate
- 10) Appraisal
- 11) Closing costs
- 12) Assumption
- 13) Prepayment
- C Common FHA loan programs
 - 1) Section 203(b); homeownership; fixed rate
 - (a) Loan assumption criteria
 - 2) Condominium units
 - 3) Homeownership; adjustable rate
- V) VA loan guarantee program
 - A The guarantee feature
 - B Characteristics of VA mortgage loans
 - 1) Qualifications
 - 2) Eligibility
 - (a) Licensees should rely on the VA lender to determine eligibility
 - 3) Lending source
 - 4) Eligible property
 - 5) Discount points
 - 6) Qualifying ratios
 - 7) Loan limits
 - 8) Loan guarantee
 - 9) Amount of down payment
 - 10) Entitlement
 - 11) Reusing the entitlement
 - 12) Appraisal
 - 13) VA funding fee
 - 14) Loan origination fee
 - 15) Prepayment
 - 16) Assumption
 - 17) Interest rate
- VI) Qualifying for a loan
 - A Qualifying the Buyer
 - 1) The loan application process—Uniform Residential Loan Application
 - 2) Credit evaluation and credit scoring
 - 3) Qualifying ratios
 - (a) Housing expense ratio
 - (b) Total obligations ratio
 - 4) Qualifying the property
 - 5) Information required by lender
- VII) Primary sources of home financing
 - A Mortgage Depository Lenders
 - 1) Savings associations
 - (a) Types of loans offered
 - 2) Commercial banks
 - (a) Types of loans offered
 - 3) Credit unions
 - (a) Types of loans offered

Comment [LC93]: Under IV) B . 8) insert HER TOR

Comment [LC94]: Under V) B . 6) insert (a) . TOR

Comment [LC95]: Suggestion:
 Move Qualifying for a Loan to I) and re-number Roman Numeral headings
 I) Qualifying for a Loan
 . A . Loan application process
 . . 1) Uniform Residential Loan Application
 . . . 2) . Credit evaluation and credit scoring
 . . . 3) Qualifying ratios (introduction)
 . . . 4) . Qualifying the property
 . . . 5) Preapproval and prequalification

- B ~~Mortgage broker~~ Nondepository primary lenders
 - 1) ~~Their role—how they operate~~
- C Mortgage loan originator
- D Seller financing
 - 1) Contract for deed (land contract)
 - 2) Amortized mortgage
- E Government programs
 - 1) Mortgage bond financing
- VIII) Secondary Mortgage Market
 - A Effects of the mortgage market
 - 1) Circulate the mortgage money supply
 - (a) Intermediation and disintermediation
 - 2) Standardize loan requirements
 - (a) Conforming loans
 - (b) Portfolio lenders
 - B Fannie Mae
 - 1) ~~Private (not a government agency) corporation that trades on NYSE~~
 - 2) Secondary market for VA, FHA and conventional loans
 - 3) Issues mortgage-back securities to investors
 - 4) Largest single private mortgage purchaser
 - C Government National Mortgage Association (GNMA)
 - 1) Wholly owned government corporation under HUD
 - 2) Provides a secondary market for VA and FHA loans
 - 3) Mortgage-backed securities program
 - D Freddie Mac
 - 1) Created by Congress in 1970
 - 2) Shares sold publicly
 - 3) Buy conventional loans
 - E ~~Nonconforming loans~~
 - ~~1) Broker and correspondent loans~~
 - ~~2) Private investors through mortgage brokers and bankers~~
- IX) Mortgage Fraud
 - A Common types of mortgage fraud
 - 1) Straw borrowers
 - 2) No document loans
 - B Red flags
 - 1) Inflated appraisal
 - 2) Inflated contract prices
 - C Ethical practices
- X) Laws regarding fair credit and lending procedures
 - A Equal Credit Opportunity Act (ECOA)
 - 1) Prohibits discrimination in loan underwriting on the basis of sex, marital status, race, religion, age, or national origin. (A lender cannot require an applicant's spouse to join in (sign) a loan application)
 - 2) Prohibits discriminatory treatment of income from alimony, child support, public assistance, or part-time employment
 - 3) Prohibits inquiry about, or consideration of, child bearing plans or potential for child bearing
 - B Consumer Credit Protection Act (Truth in Lending Act)

Comment [LC96]: Under VII) B-insert
 1) Mortgage lender
 2) Mortgage loan originator (MLO) (re-letter)

Comment [LC97]: Is this sales associate material? Can it be deleted?

Comment [LC98]: Government sponsored enterprise (GSE)
 Regulated under conservatorship authority of the Federal Finance Housing Agency

Comment [LC99]: secondary market participant

Comment [LC100]: 1) . Government corporation within the Department of Housing and Urban Development (HUD)

Comment [LC101]: 3) Only secondary participant backed by full faith and credit guarantee of the federal government
 4) Mortgage-backed securities program

Comment [LC102]: Under VIII) D . Replace 1) – 3)
 1) Secondary market for conforming conventional mortgages
 . 2) Smaller banks, credit unions, and savings associations
 3) Purchases mortgages that meet underwriting standards
 . 4) Pools loans together and sells to investors as MBSs

- 1) Implemented by Federal Reserve Regulation Z
 - 2) Requires disclosure of full credit costs
 - 3) Requires disclosure of annual percentage rate (APR)
- C Real Estate Settlement Procedures Act (RESPA)
- 1) Applies to ~~virtually any~~ closings involving a "standard" home mortgage loan ~~from a financial institution or mortgage banker~~
 - 2) Requires that the borrower be provided a booklet of information regarding closing costs
 - 3) Requires advanced estimates of closing costs
 - 4) Requires that the borrower be able to examine the RESPA-specified closing statement in advance
 - 5) Prohibits kick-backs to a lender from vendors of closing related services

Comment [LC103]: Under X) B . 3) insert

- 1) . Bait and switch advertising
- 2) . Triggering terms
- 3) . Right of rescission

Comment [LC104]: Under X) C . 1) replace 1) – 5) with:

- 1) . Applies to closings where a federally related mortgage loan is secured by a one-to four-family residence
- 2) . Affiliated business relationships
- 3) . Purchase of title insurance
- 4) . Escrow for taxes and insurance
- 5) . Kickbacks, fee-splitting, and unearned fees

Insert D 1) – 5)

D TILA-RESPA Integrated Disclosure Rule (TRID)

- 1) . Loan estimate timing
- 2) . Closing disclosure
 - (a) . Timing
 - (b) . Required disclosures
- 3) . Information booklet
- 4) . Covered loans
- 5) . Comparison of TILA, RESPA, and TRID

SECTION 14 REAL ESTATE RELATED COMPUTATIONS AND CLOSING OF TRANSACTIONS

Learning Objectives:

- 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~~ disclosure entries
- Explain the major sections of the ~~Uniform Settlement Statement~~ Closing Disclosure
- Demonstrate ability to read and check the ~~Uniform Settlement Statement~~ Closing Disclosure for errors

Key Terms:

- arrear
- credit
- debit
- ~~level payment plan~~
- preclosing inspection
- ~~principal~~
- profit
- proration

Outline

- I) Basic Real Estate Computations
 - A Sales commissions
 - B Calculating selling price, cost and profit
- II) Preliminary steps to a closing
 - A Earnest money deposited
 - B Additional deposit, if required
 - C Loan application
 - D Contingencies
 - E Appraisal
 - ~~F~~ Loan approval
 - G Title insurance
 - H Termite inspection
 - I ~~Required~~ repairs ordered
 - J Survey ordered
 - K Buyer hazard insurance
 - 1) Hazard insurance policy to closing agent
 - 2) Flood insurance
 - L Buyer/seller contact for closing appointment
 - M Preclosing inspection

Comment [LC105]: Deleted Key Terms are located in Unit 13 (Types of Mortgages)

Comment [LC106]: Suggest relocating
J . Survey ordered to follow
F . Loan approval and re-letter

Comment [LC107]: After I . Required
repairs ordered
Insert J . Home inspection and re-letter

N Closing documents reviewed by parties prior to closing

- O Buyer informed of funds needed to close P
Earnest money transferred to closing agent

III) Prorated Expenses

- A Prepaid rent
- B County and/or city property taxes
- C Mortgage interest on assumed mortgages
- D Prorating considerations
 - 1) Period over which item is prorated
 - 2) Period allocated to buyer and period allocated to seller
 - 3) Prorating methods: 360 vs. 365 [days](#)

IV) State Transfer Taxes

- A State documentary stamp tax on deeds
- B State intangible tax on [new](#) mortgages
- C State documentary stamp tax on notes

V) Other Charges

- A Preparation of documents
- B Recording fees
- C Broker's commission
- D Title insurance

VI) Rules of Thumb

- A General rule of thumb
 - 1) Items credited to seller
 - 2) Items debited to seller
 - 3) Items credited to buyer
 - 4) Items debited to buyer

VII) ~~Uniform Settlement Statement~~

- A Buyer's Transaction Entries
- B Seller's Transaction Entries
- C Settlement Charges for both Buyer and Seller
- D Real Estate ~~settlement~~ [Closing Disclosure](#)
example

Comment [LC108]: Key Concepts
Regarding Closing Disclosure

SECTION 15 THE REAL ESTATE MARKETS AND ANALYSIS

Learning Objectives:

- 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

Key Terms:

- buyer's market
- demand
- household
- seller's market
- situs
- supply
- vacancy rate

Outline

- I) Physical Characteristics of Real Estate
 - A Immobility and importance of location in determining value
 - 1) The value of real estate is heavily influenced by changes in the surrounding area
 - 2) **Highest** and best use is fundamentally determined by alternate types of potential users bidding for a site in accordance with the locational and environmental value of the site in each use
 - 3) If the value of a site in its current highest and best use declines relative to competing uses, highest and best use may change and land use transition will begin
 - B Indestructibility (durability) of land and fixed location
 - 1) Real estate investment tends to be long term
 - 2) Land does not depreciate
 - 3) Property insurance insures improvements only, not land
 - C Nonstandardized; nonhomogeneous
 - 1) No two parcels are exactly alike
 - D **Governmental** controls influence the market through zoning, building codes, taxes, etc.
- II) Economic Characteristics of Real Estate
 - A Relationship between supply, demand and price
 - B Slow to respond to change in supply and demand
 - C **Demand** factors:
 - 1) Price of real estate
 - 2) Population and household composition
 - 3) Income of consumers
 - 4) Availability of mortgage credit
 - 5) Consumer tastes or preferences
 - D Supply factors:

Comment [LC109]: Relocate I . A . 2) and 3) to Section 16 (RE Appraisal) under Highest and Best Use

Comment [LC110]: Relocate D Government controls influence the market through zoning, building codes, taxes, etc. under . II) Economic Characteristics of Real Estate

Comment [LC111]: Insert after II) . B- C Area preference (situs) (Re-letter)

- 1) Availability of skilled labor
- 2) Availability of construction loans and financing
- 3) Availability of land
- 4) Availability of materials

E Interpreting market conditions and market indicators

- 1) Price levels
- 2) Vacancy rates
- 3) Sales volume
- 4) Area preference—situs
- 5) Market adjustment
 - (a) Buyer's market
 - (b) Seller's market

III) Market Indicators

- ~~A—Vacancy rates~~
- ~~B—Price/sales information~~
- ~~C—Building permits~~

Comment [LC112]: Under E 2) . Vacancy rates insert . Calculate occupancy and vacancy rates

Comment [LC113]: Under E 3) . Sales volume insert
4) Building permits (renumber)

SECTION 16

REAL ESTATE APPRAISAL

Learning Objectives:

- 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

Key Terms:

- appraisal
- assemblage
- automated valuation models
- comparative market analysis (CMA)
- cost-depreciation approach
- curable
- depreciation
- economic life
- federally related transaction
- gross income multiplier (GIM)
- gross rent multiplier (GRM)
- highest and best use
- income approach
- incurable
- market value
- over-improvement
- plottage
- principle of substitution
- progression
- reconciliation
- regression
- replacement cost
- reproduction cost

- sales comparison approach
- situs
- subject property
- Uniform Standards of Professional Appraisal Practice (USPAP)
- valuation

Outline

- I) Regulation of Appraising – FIRREA
 - A Appraisal Foundation
 - B Appraisal Qualifications Board
 - C Appraisal Standards Board
 - D Appraisal Subcommittee
 - E State ~~licensed and~~ certified appraisers
 - 1) Requirements for federally related transactions
 - 2) Certified appraisal reports
 - F Appraisal service of real estate
 - 1) Part I, Chapter 475, [F.S.](#)
 - 2) Appraisal reports must conform to USPAP
 - 3) Comparative Market Analysis (CMA)
 - 4) Broker Price Opinion (BPO)
- II) Concept of Value
 - A Concepts of market cost/price/value
 - B Many types of value apply to real estate
 - 1) Assessed value for property tax purposes
 - 2) Insurance value
 - 3) ~~Value in use~~ [Going-concern value](#)
 - 4) Liquidation value
 - 5) Investment value
 - 6) Salvage value
 - C Market value
 - 1) Definition of market value
 - 2) Assumptions associated with market value
 - D Characteristics of value
 - 1) Demand
 - 2) Utility
 - 3) Scarcity
 - 4) Transferability
- III) Principles of Value
 - A Substitution
 - B Highest and best use
 - 1) As if vacant
 - 2) As improved
 - C Increasing and decreasing returns
 - 1) Over-improvement
 - D Conformity
 - E Other valuation terminology
 - 1) Assemblage
 - 2) Plottage

Comment [LC114]: Section 15 (RE Market and Analysis) I A . 2)-3) relocated to here

- 3) Progression
- 4) Regression
- IV) Introduction to the Three Approaches to Value
 - A Sales comparison approach
 - 1) Theory of method
 - 2) Steps in the approach
 - (a) Making adjustments
 - (b) Adjusted sale price
 - 3) Types of property best suited for this approach
 - B Cost-~~depreciation~~ approach
 - 1) Theory of method
 - 2) Steps in the approach
 - (a) Reproduction vs. replacement cost
 - (1) ~~Cost estimating manuals~~ [Comparative square-foot method](#)
 - (b) Three types of depreciation
 - (c) Calculating accrued depreciation using age-life method
 - 3) Applications of approach
 - C Income approach
 - 1) Theory of method
 - 2) Steps in the approach
 - (a) Potential gross income
 - (b) Effective gross income
 - (c) Net operating income
 - (1) Fixed variable, reserve for replacements
 - (d) ~~Cap rates~~ [Overall capitalization rate](#)
 - 3) Applications of approach
 - 4) Gross rent multiplier (GRM) [and Gross income multiplier \(GIM\)](#)
 - (a) Steps in the multiplier analysis
 - (b) Does not act as a substitute for the income approach to valuation
- V) Preparing a Comparative Market Analysis (CMA)
 - A Gathering appropriate data
 - 1) MLS
 - 2) Property appraisers office
 - 3) Clerk of Courts
 - B Selecting similar comparables
 - 1) Recently sold
 - 2) Currently on the market
 - 3) Recently expired listings
 - C Common elements of comparison
 - D Adjusting for differences
 - E Computer generated CMAs
 - F Automated Valuation Models (AVM)

SECTION 17

REAL ESTATE INVESTMENTS AND BUSINESS OPPORTUNITY BROKERAGE

Learning Objectives:

- 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

Key Terms:

- appreciation
- asset
- basis
- capital gain (loss)
- cash flow
- equity
- going concern value
- goodwill
- leverage
- liquidation analysis
- liquidity
- ~~personal property~~
- risk
- tax shelter

Outline

- I) Investment Real Estate Terminology
 - A Cash flow
 - B Leverage
 - C Capital gain (loss)
 - D Basis
 - E Appreciation
 - F Equity
 - G Liquidity
 - H Risk
 - I Tax shelter
- II) Types of investments
 - A Residential
 - B Commercial
 - C Industrial
 - D Agricultural
 - E Business opportunities
- III) Advantages of Real Estate Investments

Comment [LC115]: See Key Terms Section 8 (Property Rights)

Comment [LC116]: Insert Real estate investment trust (REIT)

- A Rate of return
 - B Tax advantages
 - C Hedge against inflation
 - D Leverage
 - E Equity build up
- IV) Disadvantages of Investing in Real Estate
- A Illiquidity
 - B Market is local in nature
 - C Need for expert help
 - D Management
 - E Risk
- V) Assessment of Risk
- A Risks associated with general business conditions
 - 1) Business risk
 - 2) Financial risk
 - 3) Purchasing-power risk
 - 4) Interest-rate risk
 - B Risks that affect return
 - 1) Liquidity risk
 - 2) Safety risk
 - (a) Market risk
 - (b) Risk of default
- VI) Nature of Business Brokerage
- A Similarities to real estate brokerage
 - 1) Almost always a sale of real property or an assignment of a long-term lease is involved
 - 2) Must be licensed pursuant to Chapter 475, F.S., Part I
 - B Differences from real estate brokerage
 - 1) Usually involve transactions containing assets other than real estate
 - (a) Personal property
 - (b) Goodwill
 - 2) The value of the business may be less than, equal to, or greater than the value of the real estate. That is, the “going concern” value may be different than the real estate value
 - 3) Markets for business enterprises are typically wider in geographic scope than markets for individual parcels of real estate
 - C Expertise required in business brokerage
 - 1) Corporate finance
 - 2) Business accounting
 - 3) Valuation of businesses
 - (a) Comparable sales analysis
 - (b) Cost approach
 - (c) Income analysis
 - (d) Liquidation analysis
 - D Steps in the sale of a business

SECTION 18

TAXES AFFECTING REAL ESTATE

Learning Objectives:

- 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, eligible exemptions and transfer of assessment limitation difference (save our homes portability) if applicable
- 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

Key Terms:

- ad valorem
- assessment limitation (save our homes benefit)
- assessed value
- capital gains
- community development districts
- debt service
- exempt properties
- installment sale
- immune properties
- just value
- like-kind exchange
- mill
- special assessment
- tax rate
- taxable income
- taxable value

Outline

- I) Real Property Taxation
 - A ~~Local importance~~
 - 1) Primary source of revenue
 - B Determining "just value"
 - 1) General procedure
 - (a) Provisions under Amendment I
 - 2) Protest procedure [\(194, F.S.\)](#)
 - (a) Property owner contacts property appraiser within legislated time frame
 - (b) File an appeal with the Value Adjustment Board
 - (c) Litigation in the courts
 - (1) Certiorari proceeding
 - C Exemptions from property taxes
 - 1) Immune property

Comment [LC117]: City and county property taxes

Comment [LC118]: Insert after I) A . 1)
2) Property tax schedule

Comment [LC119]: Under I) B . 1) (a)
. insert
(b) Notice of proposed property taxes (TRIM) notice

- 2) Exempt or partially exempt property
- 3) Homestead tax exemption (196, F.S.)
 - (a) Assessment limitation (save our homes benefit, portability)
 - (b) Surviving spouse exemption
 - (c) Disability exemption
 - (d) Blind persons exemption
 - (e) Cumulative homestead tax exemption
 - (f) Military service-connected total and permanent disability tax exemption
 - (g) Tax exemption for certain totally and permanently disabled persons
- 4) Greenbelt law exemption
 - (a) Nature
 - (b) Purpose
 - (c) Provisions
- D Calculating taxable value
- E Calculating property taxes
- F Special Assessments
 - 1) Purpose of special assessments
 - 2) Limitations on use
 - 3) Computation of special assessment rate
 - 4) Special assessment liens
- G Nonpayment of real property taxes
- H Purchasing tax certificates
- II) Federal Income Taxes
 - A Sale of real property
 - 1) Amount realized
 - 2) Capital gain (loss)
 - B Principal residence
 - 1) Tax advantages
 - (a) Mortgage interest deduction on principal residence and second home
 - (b) Deduction of property taxes on principal residence and second home
 - (c) IRA withdrawal for first time home buyers
 - (d) Exclusion of gain from sale of principal residence
 - C Investment real estate
 - 1) Types of income and cash flows
 - (a) Potential gross income
 - (b) Effective gross income
 - (c) Net operating income
 - ~~(d) Before tax cash flow (cash throw-off)~~
 - ~~(e)(d) After tax cash flow~~
 - 2) Determining taxable income
 - (a) Reserve for replacements
 - (b) Interest
 - (c) Straight-line method Depreciation
 - 3) Tax from operations
 - (a) Capital gain (loss)
 - (1) Short-term gain
 - (2) Long-term gain
 - 4) Installment sales method (~~contract for deed~~)
 - 5) Like-kind exchange

Comment [LC120]: (197, F.S.)

Comment [LC121]: Under II) B . (d) insert
 (a) . Up to \$250,000
 (b)\$500,000 for married couples filing a joint return
 2) Interest on home equity loans is deductible (used for improvements on the home)
 3) . Mortgage loan origination fees and points are deductible (in year paid)
 4) Disposition of real property from foreign sellers
 (a) . Foreign Investment in Real Property Tax Act (FIRPTA)

Comment [LC122]: Broker material

SECTION 19 PLANNING, ZONING AND ENVIRONMENTAL HAZARDS

Learning Objectives:

- 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

Key Terms:

- asbestos
- buffer zone
- building code
- building inspection
- building permit
- certificate of occupancy
- concurrency
- environmental impact statement
- health ordinance
- nonconforming use
- planned unit development
- special exception
- special flood hazard area
- [special purpose property](#)
- variance
- zoning ordinance

Outline

- I) Planning and Zoning
 - A City planning
 - 1) Historical
 - (a) Philosophy of laissez faire
 - (b) Industrialization and urbanization
 - (c) Protecting residential property
 - 2) Goals of planning include, for example:
 - (a) Savings of tax money by preventing sprawl
 - (b) Adequate provision of services

Formatted: Not Expanded by /
Condensed by

Comment [LC123]: Delete?

- (c) Providing for road right-of-ways and set backs
 - (d) Protection against costly drainage, flooding or environmental problems
 - (e) Reduction in political and equity problems in siting landfills, prisons, etc.
- II) Local planning agency
- A Composition
 - B Authority
 - 1) Subdivision plat approval
 - 2) Site plan approval
 - 3) Sign control
 - C Support staff
- III) Florida's **comprehensive plan**
- A Chapter 163, F.S. Growth Policy ~~Act~~; ~~County And Municipal Planning~~; ~~Land Development Regulation~~
 - 1) ~~Department of Community Affairs (DCA)~~
 - B Plan must contain certain elements to be coordinated with plans of surrounding areas
 - 1) Future land use
 - 2) Traffic circulation
 - 3) Water, sanitary and storm sewers, and solid waste
 - 4) Conservation of natural resources
 - 5) Recreation
 - 6) Housing
 - 7) Coastal zone protection, where relevant
 - 8) Intergovernmental coordination
 - 9) Utilities
 - (a) Plan must be implemented by adopting sufficient land use control ordinances and capital improvement programs (concurrency requirements)
 - (b) Optional elements may include: historical, scenic preservation, economic and public buildings
 - (c) Concurrency allows new development only after a minimum level of public infrastructure is in place around the development site
- IV) Zoning, land use restrictions and building codes
- A Zoning ordinance and classifications
 - 1) Residential—control of density
 - (a) Lot size
 - (b) Set backs
 - (c) Lot coverage
 - 2) Commercial—control of intensity of use
 - (a) Parking requirements
 - (b) Height and size limitations
 - 3) Industrial—control of emission and effluents
 - (a) Control of by-products such as noise, odor, smoke congestion and chemicals
 - 4) Agricultural
 - 5) Special use
 - B Building codes
 - 1) Building permits
 - 2) Building inspections
 - 3) R-Value

Comment [LC124]: A Growth policy and Community Planning Act (CPA)
 1) . Under the CPA, state-mandated concurrency is not required for
 (a) . Transportation
 (b) . Schools
 (c) . Parks

Comment [LC125]: 2) Department of Economic Opportunity (DEO)

- 4) Certificate of occupancy
- C Health ordinances
- V) Appeals and Exceptions
 - A Zoning Board of Adjustment
 - 1) Variance
 - 2) Special exception
 - 3) Legally nonconforming use
 - B Developments of Regional Impact
 - 1) Planned unit development
 - 2) Environmental impact statement
- VI) Flood zones
 - A National Flood Insurance Program (NFIP)
 - 1) Can qualify for Federal Flood insurance program
 - 2) "Special Flood Hazard Areas" are delineated according to NFIP criteria
 - 3) Development within SFHAs must be restricted in a manner so as not to obstruct the natural flow of flood waters
 - B Residential structures in the SFHA must have the first floor above the "Base Flood Elevation"
 - C Non-residential structures must meet the residential requirement, or be water-tight below the Base Flood Elevation
 - D Over 40 percent of purchasers of National Flood Insurance are in Florida
- VII Indoor and outdoor environmental hazards
 - A Water supply
 - 1) Well (adequacy, quality)
 - 2) Public (quality)
 - B Septic tank
 - C Asbestos
 - D Radon
 - E Toxic waste in soil
 - F Underground storage tanks
 - G Lead paint
 - H Mold
 - I Chemical contamination
 - J Structural damage
 - 1) Wood-destroying organisms
 - (a) Termites
 - (b) Carpenter ants
 - (c) Decay

VIII CERCLA

Comment [LC126]: Under V) A . 2) insert (a) Special purpose property

Comment [LC127]: Under V) . B Developments of Regional Impact insert C . Planned unit development VI Environment Requirements . A . Environmental impact statement . B National flood insurance program (NFIP) . . 1) Qualifying for flood insurance . . 2) Flood insurance rate maps (FIRM) . . . (a) Special flood hazard area (SFHA) . . . (b) High-risk coastal areas . . 3) Development within SFHAs . . 4) Mortgage loan requirements

Comment [LC128]: Broker material

- A Prima facie evidence that holder of a real estate license possesses current and valid licensure
- IX) Registration vs. Licensure
- X) License Renewal Education
 - A Post licensure requirement
 - B Continuing education
 - C Reactivation education
- XI) Real Estate Services
 - A Individuals who are required to be licensed
 - B Individuals who are exempt from licensure
- XII) Unauthorized Practice of Law

Commented [LC14]: Under A insert
1) Hardship cases

SECTION 3 REAL ESTATE LICENSE LAW AND COMMISSION RULES

Learning Objectives:

- 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

Commented [LC15]: Insert new LO
• Describe the scope and function of the DBPR and the DRE

Key Terms:

- active/inactive
- canceled
- cease to be in force
- current mailing address
- group license
- involuntarily inactive
- license authority voided
- multiple licenses
- null and void
- voluntarily inactive

Commented [LC16]: Insert new Key Terms in alphabetical order
current status
probation
promulgates

Outline

- I) Regulation by Department of Business and Professional Regulation
 - A Organizational structure
 - B Definitions; F.S. 455.01
 - C Legislative intent; requirements; F.S. 455.02
 - D Department powers and duties; F.S. 455.203
 - E Licensing examinations
 - ~~F Licenses, fees, statuses, and renewal~~
 - 1) Active status
 - 2) Inactive status
 - (a) Voluntarily inactive status
 - (b) Involuntarily inactive status

Commented [LC17]: Under I) A insert
1) Division of Professions
2) Division of Service Operations
3) Division of Florida Condominiums, Timeshares, and Mobile Homes
4) Division of Real Estate

Commented [LC18]: Replace with F.S. 455.201

Commented [LC19]: Relocate I) F-G to IV

- ~~3) License ceases to be in force (F.S. 475.23)~~
- ~~4)1) Members of armed forces (F.S. 455.02)~~
- G Types of real estate license
 - 1) Multiple and group licenses
- II) Division of Real Estate
 - A Organizational structure
- III) The Florida Real Estate Commission; Rules Governing Internal Organization and Operation; 61J2-20
 - A Purpose of regulation
 - B General structure
 - 1) Composition and qualifications of members
 - 2) Term of office and compensation
 - 3) Legal counsel
 - 4) Meetings and minutes
 - C Duties and powers of the Commission
 - 1) Specific areas of responsibility Executive powers
 - 2) Rule making Quasi-legislative powers
 - 3) Education Quasi-judicial
 - 4) Discipline
- IV. License Renewal and License Statuses
 - A. License renewal periods
 - 1) Armed forces renewal exemption (455.02, F.S.)
 - B. Active vs inactive status
 - 1) Voluntary inactive
 - 2) Involuntary inactive
 - (a) Renewal requirements
 - (b) Reactivation education
 - C. Other license classifications
 - 1) Null and void
 - 2) Cease to be in force (475.23, F.S.)
 - D. Current mailing address
 - 1) Change of address procedure
 - 2) Penalty for failure to notify FREC
 - E. Change of employer
 - V. Multiple Licenses and Group Licenses
 - A. Multiple licenses
 - B. Group license

Commented [LC20]: Relocated to V. (see below)

Commented [LC21]: Relocate I) F-G to IV

Formatted: Not Expanded by / Condensed by

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.33"

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Indent: Left: 0.25", First line: 0", No bullets or numbering

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Indent: Left: 0", Hanging: 0.25"

Formatted: Indent: Left: 0", Hanging: 0.25", No bullets or numbering

Karen Climer's comments on Linda Crawford's comments 9/22/2021

Comments below are where I disagree or have something to add to Linda's suggestions. Otherwise, her suggestions are fine. Page numbers are based on the syllabus with her comments, not the original syllabus.

Pg. 16

Comment on LC29 - Do not add part about licensees selling their own property as a FSBO. They need to know that if they sell the house as a FSBO, they can advertise in their own name. If they list their own house with their own broker, they must advertise in their brokerage firm name.

They do not need to know that if it's a FSBO, they have to disclose that they are a licensee. That is not a statute or rule. That is in the Realtor Code of Ethics.

Comment on LC30 - Agree with suggestion to eliminate fax advertising. Would add something about unsolicited texts.

Comment on LC33 - Rental list – would leave this in the syllabus. It's true that very few (if any) people sell these lists, but that's because of this law. If this law didn't exist, people would be selling them.

Pg. 20

Add Self-reporting requirement – This is in some textbooks. It's not in the syllabus, which means it's not in all textbooks.

Add declaratory statement – many licensees use the ask for forgiveness, not permission philosophy because they don't know the dec statement is an option. The full process is not necessary, just knowledge that it is an option.

Pg. 26

Comment LC52 – keep this here. This section explains what a CDD and HOA are. Unit 11 explains the contract disclosures related to them. Need in both sections.

Pg. 33

VII. A. – Keep as Employment Agreement. Listing agreements does not include buyer broker agreements, which is why I prefer employment contract.

Pg. 34

Comment on LC72 – keep this here and in Section 8. It is OK for it to be in two places. It should be under contracts because it applies to contracts.

Pg. 51

Delete 1, A-D. Sales associates need to know beginning at E.

Letter to Commissioners

Summary of Proposed Revisions to Rule 3.008, F.A.C.

(The proposed revisions herein are my own suggestions)

1. I propose to reorder the sections of Rule 3.008 so that section: (1) pertains to Course I and Course II; (2) indicates the methods of course delivery; (3) concerns course applications; (4) contains specific requirements for the delivery method; and (5) are miscellaneous parts of the rule.
2. Suggested proposed changes to the rule language include:
 - a) The rule uses the terms Course I and Course II; pre-license course; Commission prescribed courses; and sales associate or broker course interchangeably. Because Course I and Course II are defined in the rule in (1)(a), I propose for consistency that Course I and Course II be used throughout the rule.
 - b) Section (1) (c) proposes to require students to complete all sessions of the syllabus before taking the end-of-course examination. A 60-hour course (plus 3 hours for the end-of-course exam) is a very low bar for educating people from all walks of life to handle real estate transactions. Missing up to 8 hours of course content equates to two sessions of the course syllabus and possibly three sessions. Do you really want students missing the session regarding real estate contracts, or license law, financing, or any other session?
 - c) (2) (a) provides proposed wording for delivery methods and that each hour of the timed outline must be offered in only one delivery method. This provides more flexibility than each unit of the syllabus being a single delivery method. The proposed language prohibits using independent study time or independent review time as part of the 60-hour course.
 - d) (2)(d) proposes to include reference to rule 61J2-17.015, F.A.C. regarding recruiting during course time.
 - e) Section (3)(a) lists the items that must be included in the course application. The proposed changes hopefully will reduce the number of courses that come before the FREC because the course is missing the timed outline or three learning objectives for each hour of course content.
 - f) (3)(d) proposes to prohibit all end-of-course exams, regardless of delivery method, from using aids such as, hint, back, retry functionalities, or other means of referring the student back to the course material. The proposed language also indicates basic structure for the end-of-course questions, including, only M/C items with no "all of the above" as an answer choice.

Proposed Order of Topics in Rule 3.008, F.A.C.

1. (a) Course I hours
(b) Course II hours
(c) Course must conform to syllabus
(d) Course completion (grade on end-of-course exam)
(e) Failure on end-of-course exam
(f) Rescheduled exam

- (g) Exam security
- (h) Accredited universities
- 2. (a) Course delivery methods
- (b) Course content hours
- (c) Student and course compliance
- (d) Notification of course standards and requirements
- 3. (a) Course applications
- (b) Course renewal applications
- (c) Primary schools
- (d) End-of-course examinations and format
- (e) Examination questions difficulty
- 4. (a) Live streaming course delivery method
- (b) Distance learning delivery method and criteria
- 5. (a) Recommendations to course syllabus
- (b) Member of The Florida Bar
- (c) 4-year degree or higher

Respectfully submitted,



Linda L Crawford, Educator

and author

Florida Real Estate Principles, Practices & Law

Dearborn Real Estate Education Company

Proposed revisions to 61J2-3.008

Submitted by Linda Crawford

Revise the proposed new text to state:

(1) ~~(a)~~ Any persons desiring to become licensed as a real estate sales associate must satisfactorily complete the Commission-prescribed 63-hour course designated as Course I. This course will consist of ~~63 hours of 50 minutes each, inclusive of examination~~ 60 hours of 50 minutes each of course content inclusive of the examination and 3 hours allocated to the end-of-course exam. The course content will focus on ~~in~~ the basic fundamentals of real estate principles and practices, basic real estate, and license law. ~~This rule sets forth the course approval criteria and procedure.~~

~~(b)~~ Any licensed sales associate desiring to become licensed as a broker must satisfactorily complete the Commission-prescribed 72-hour course designated as Course II. This course will consist of ~~72 hours of 50 minutes each, inclusive of examination~~ 69 hours of 50 minutes each of course content and an additional 3 hours allocated to the end-of-course exam. The course content will focus on ~~in~~ the fundamentals of real estate appraising, investment, financing, and brokerage and management operations.

~~(c) (4) (b) 3. h. and (7)~~ Pre-licensing courses Course I and Course II must conform to follow the order of the Course I and Course II syllabus. Students must complete all sessions of the syllabus before taking the end-of-course examination. Make-up classes must consist of the original course ~~materials~~ content that the student missed.

~~(d) (4) (a)~~ A grade of 70% or higher on the Commission-prescribed Course I or Course II end-of-course examination constitutes satisfactory course completion. ~~The school shall administer the examination upon completion of the instruction, provided the student has not missed in excess of 8 hours of classroom instruction.~~

~~(e) (6)~~ Students failing the Commission-prescribed end-of-course examination must wait at least 30 days from the date of the original examination to retest. Within one year of the original examination, a student may retest a maximum of one time. Otherwise, students failing the end-of-course examination must repeat the course prior to being eligible to take the end-of-course examination again. Schools shall administer ~~a different form of the~~ an alternate form of the end-of-course examination to a student ~~who that~~ who is retaking the exam or repeating the course. The alternate exam shall contain no more than 15% duplication of questions from the original end-of-course examination.

~~(f) (7)~~ ~~Make-up classes and~~ Rescheduled examinations to enable a student to take the end-of-course examination due to student or family illness may not extend more than 30 days beyond the scheduled class examination without approval from the Commission.

~~(g) (4) (b) 3. i.~~ The school must ~~demonstrate that there is a reasonable method~~ have in place a reasonable method to prevent unauthorized duplication of the end-of-course examination and examination answer keys.

~~(h) (3)(a)~~ No change to paragraph regarding accredited universities.

(2) (a) ~~(2)(c) 1.~~ The 63 hours course Course I and Course II may be delivered live in the classroom, or by live streaming, or by distance learning. Courses may be offered as a combination of delivery methods, however each unit hour in the timed outline must be offered in only one delivery method. In all cases, the course must be designed to meet the required hours of course content plus the 3 hours allocated to the end-of-course exam. Course content hours may not include independent study time or independent review time. Content hours must be measurable by student attendance and participation.

~~(b) (2)(a)~~ For all courses approved for classroom delivery, 50 minute hours means fifty minutes of classroom instruction, exclusive of any Course content hours do not include breaks, recesses, or other time not spent in instruction. ~~Classroom~~ Course content hours are the hours delivered live by an instructor in a classroom, or by ~~a~~ live streaming or any means of video conferencing technology while the students are in attendance, or by distance learning.

~~(c) (3)(b)~~ The school permit holder, permitted administrative person, or permitted instructor shall, assure necessary equipment performance, and administer and certify student and course compliance.

~~(d) (5)(a)~~ The school offering these Commission-prescribed courses shall inform each student of the standards and requirements at the commencement of each course. The notice prohibiting recruiting for employment opportunity during the course for any real estate brokerage firm must be posted at the beginning of each course as required in rule 61J2-17.015, F.A.C. Notice of course completion shall comply with rule 61J2-3.015, F.A.C.

(3) (a) ~~(4)(b)~~ The school must submit to the Commission a course application using form DBPR RE 18, "Continuing Education Course Approval Application," incorporated by subsection 61J2-35.027(17), F.A.C. The school must receive course approval before offering the course. ~~the course materials and end-of-course examinations.~~ The application must include the following items:

1. Timed outline.
2. Explanation of the delivery method. If the course uses more than one delivery method, the delivery method used must be indicated for each hour of course content.
3. Three learning objectives for each hour of course content.
4. Complete course materials.
5. Two end-of-course examinations.
6. Answer keys for each end-of-course examination.

~~(b) (4)(c)~~ The Commission will approve pre-licensure courses for a period of 24 months and evaluate the course for renewal, provided the school submits the course application form indicated in (3) (a) DBPR RE 18, "Continuing Education Course Approval Application," incorporated by subsection 61-35.027(17), F.A.C., no more than 120 days prior to the course expiration date. The renewal application must include a copy of the approval letter previously

issued by the DBPR, and a summary of what updates and revisions have been made to the course. A school may grade an examination within 15 days after the expiration date of the course, provided it receives the materials the Commission receives the renewal application prior to or on the date of expiration. ~~Schools shall notify students of the course number and expiration date upon enrollment.~~

~~(c) (4) (b) The school must submit to the Commission the course materials and end-of-course examinations. The school must also submit a copy of the course, and access to the course, in the format in which the course will be offered to the student. (Relocated to (4)). No changes beginning with: Primary schools shall submit pre-license courses for evaluation every new edition. Delete last sentence: When delivered by distance education, the course and examination shall comply with the "Course Approval criteria" as follows:~~

~~(d) The school shall develop at least 2 forms of the end-of-course examination, and submit them for approval as provided in paragraph (3) (a) (4) (b) above. The sales associate Course I end-of-course examinations shall contain at least 100 questions items, or 2 items per instruction hour. The broker Course II end-of-course examinations shall contain at least 95 questions items, of which 5 items are 2 points each, which shall cover closing statement or escrow accounts, or 2 items per instruction hour. All Questions shall be multiple-choice with 4 answer choices each. The order of the examination questions may not follow the sequence of the course content and the item questions must not refer the student to the course material. End-of-course examinations shall not include aids such as, but not limited to, hint, back, or retry functionalities. (Relocated from (3) (i)). ~~The overall time to complete the end-of-course examination must not exceed the equivalent of 1.8 minutes per item. Students must receive only the 3 hours of allotted time to complete the end-of-course examinations. Examination questions must conform to the following:~~~~

1. Multiple-choice format with 4 answer choices each
2. Only ONE correct answer
3. Negatives are clearly emphasized; for example: NOT; EXCEPT
4. No "all of the above" and "none of the above" as an answer choice

~~(e) (4) (d); (4) (b) 3. h.~~ No end-of-course examination shall contain more than 15% duplication of questions. Examinations must test the course material. The answer key must be unique for each form of the examination. The answer key must reference the page number(s) containing the information upon which each question and correct answer is based. At least 70% of the questions on each form of the test shall be application oriented. Application level means the ability to use the learned material in a completely new and concrete situation. It usually involves the application of rules, policies, methods, computations, laws, theories, or any other relevant and available information. No more than 10% of the questions on each form of the test shall be at the knowledge level. Knowledge level means the recall of specific facts, patterns, methods, terms, rules, dates, formulas, names, or other information that should be committed to memory. A school offering the Commission-prescribed courses must maintain a sufficient bank of questions to assure examination validity.

(4) (a) ~~(2) (b)~~ Any school requesting approval for distance learning course Course I or Course II via streaming video or any other means of video conferencing technology must comply with

paragraphs (1) through (3) above and submit to the Commission, DBPR at the time of course submission, ~~all course materials as well as~~ information on the delivery method and software platform being used. If the end-of-course examination is administered as a distance learning examination, the examination must comply with the examination criteria in (4) (b).

(b) ~~(4) (b) and (4)(b)2. The school must submit to the Commission the course materials and the end-of-course examinations. Distance learning means the delivery of education offerings or courses via the internet and/or other interactive electronic media. Any school requesting approval for a course via distance learning, must comply with sections (1) through (3) above and submit to the Commission at the time of course submission the school must also submit access to the course in the format in which the course will be offered to the student. ~~When delivered by distance education, t~~ The distance learning course shall also comply with the following criteria:~~

1. No change
2. ~~Distance learning means the delivery of education offerings or courses via the internet and/or other interactive electronic media. Such offerings or~~ Distance learning courses shall be interactive, providing for the interchange of information between the student, and the instructor, and shall provide for the registration, evaluation, monitoring, and verification of pre-license education: 50 minute hours for distance learning courses shall be equivalent of the 50 minute hours in a classroom delivery and live streaming courses.
3. No change except for last sentence: ~~Pre-licensure courses~~ Course I and Course II shall not be offered by correspondence methods, except by reason of a hardship as defined by rule.
4. ~~3. d.~~ The school shall make the timed outline in paragraph (3)(a) available to students prior to enrollment.
5. ~~a.~~ The school must demonstrate that the technical processes used in the delivery of the course operate correctly and the instructional strategies its use supports.
 - ~~a. b.~~ No change
 - ~~b. e.~~ No change
 - ~~c. d.~~ Delete: ~~Course submissions shall include a detailed course time line, and the school shall make the timeline available to students prior to enrollment.~~
 - ~~d. e.~~ No change
 - ~~e. f.~~ No change
 - ~~f. g.~~ No change
 - ~~g. h.~~ ~~Pre-licensing courses must conform to follow the order of the Course I and Course II syllabus. Courses must include learning objectives for each session of the syllabus. The course school must describe the method of assessment of the student's performance periodically throughout the course of instruction.~~
 - ~~h. i.~~ Relocated
 - ~~i. j.~~ No change

- (5) (a) No Change (Relocated from (3) (k)).
- (b) (Relocated from (8))
- (c) (Relocated from (9))

Orellana, Emy

From: Corona, Giuvanna
Sent: Friday, September 10, 2021 12:32 PM
To: 'jonathan@realplace.io'
Subject: Comment on advertising rule - verification

Good afternoon Jonathan,

It was a pleasure speaking with you this afternoon. Please confirm the below information as your comment in reference to the advertising rule. Thank you.

"hello Giuvanna how are you? Soy de Keller Williams Boca Raton y estoy entregando un comentario sobre las nuevas propuestas de publicidad para los Realtors.

it's really important to keep in mind the intention. if we don't keep our intention in mind then we can end up with something hindering us in an already challenging career that does nothing or that doesn't resolve the problems that consumers may be having.

if the intention is to be fair and open with the public, keep in mind that the public has so much experience interacting with advertising at this point in our societies that they have been well trained. doesn't matter whether it's electronic or physical advertising. what they don't know is who they are dealing with. so what is important is to make sure that they know who they're dealing with at the point of submitting anything. we have to ask ourselves what is the extent to which we need to be announcing brokerages, addresses, licenses, affiliations, status etc. and whether making it clear at that point in an advert helps a user understand who they're dealing with and if they are truthfully representing themselves. also it's going to make things very difficult from an advertising standpoint, because these platforms that permit us to advertise may not provide the ability to do what we want to do and we may be putting ourselves in a position to destroy the whole purpose of the advertising. for example, when advertising on Facebook any ad shown that has text embedded in the image has it's exposure significantly reduced, Not to mention that there's not enough space to put additional information there anyway. Facebook is not going to turn around and provide to us additional tools to allow that to happen. in fact they've done the opposite already, they have restricted us to such an extent in advertising that we are now forced to advertise to everyone and pay for it. That's right we cannot reduce our target audience because it would be considered discrimination. so on top of that we are now forced to add text to an ad so that a consumer knows that it's a real true with broker x? you think that the general public as a desire to be interacted with yet another Realtor when they are already calling incessantly and illegally, sending dozens of letters, sending thousands of emails, and they can throw a rock and hit a hundred of us? it has the effect of significantly reducing the effectiveness of advertising in an already crowded, competitive market that is currently overwhelming the general public at large.

in the end to give the public the information it needs to know exactly who they're dealing with it is sufficient at the time of exchanging information.

now the question of what information comes up. There are already heavy restrictions on how we can register ourselves with the state as a company, and they are very specific. that is not helpful from a marketing and advertising or differentiation the market where there are hundreds of thousands of agents. for example, My group is called Realplaces, which represents our particular concept of how real estate is supposed to be conducted and delivered to our customers. being prevented from using that takes away that differentiation and makes you and me exactly the same. we don't need to level the playing field: we need to make it different. you already work hard enough, long enough, you already compete with enough of other realtors without having to destroy the only thing we have left to differentiate ourselves. it takes the color out of real estate, making it bland making us all the same making our job more difficult and not helping the customers anymore than before. leave the color back in real estate. allow our creativity to help us in this ultra

competitive absurdly crowded easy to get a license preceding where nearly anyone can get a license. quality can be improved by making the licensing more difficult not the advertising.

again in the end we have to ask ourselves is what is being proposed going to actually help the public, and is it going to help us? to some extent the public has to have their own accountability. If a person is blatantly misrepresenting themselves with the intent of misleading the public to believe that they are dealing with someone that they are not, that is what we are trying to prevent. these proposed rules do not help that in any way.

Jonathan Asbell
Keller Williams Boca Raton
561-247-5650
s13227445"

Very Respectfully,
Giuvanna



Giuvanna Corona

FREC Executive Director
Division of Real Estate
Florida Department of Business and Professional Regulation
Phone: 407-650-4087



Email: Giuvanna.Corona@myfloridalicense.com

The information contained in this message is confidential. If you are not the intended recipient, please: (i) delete the message and all copies; (ii) do not disclose, distribute or use the message in any manner; and (iii) notify the sender immediately. If you choose to contact this office by email or provide information in an interactive form on our site, such information, unless otherwise exempted by Florida law, is a public record and must be made available for public inspection upon request.

Corona, Giuvanna

From: Corona, Giuvanna
Sent: Friday, August 20, 2021 9:09 AM
To: 'Mitchell Freitas'
Cc: Orellana, Emy
Subject: RE: CAS-118029-V3V6W1

Thank you Mr. Freitas. There will be an opportunity to attend via LiveStream in which you could present your comment and analysis to the Commission. The meeting begins at 8:30 a.m. and I have included the link below. Take care and let us know how we can be of further assistance.

You may attend in person or via LiveStream by visiting <https://attendee.gotowebinar.com/register/6804219272346635279> or utilizing GoToWebinar App, ID 871-964-435.

Very Respectfully,
Giuvanna



Giuvanna Corona

FREC Executive Director
Division of Real Estate
Florida Department of Business and Professional
Regulation
Phone: 407-650-4087



Email: Giuvanna.Corona@myfloridalicense.com

The information contained in this message is confidential. If you are not the intended recipient, please: (i) delete the message and all copies; (ii) do not disclose, distribute or use the message in any manner; and (iii) notify the sender immediately. If you choose to contact this office by email or provide information in an interactive form on our site, such information, unless otherwise exempted by Florida law, is a public record and must be made available for public inspection upon request.

From: Mitchell Freitas [mailto:info@mitchellfreitas.com]
Sent: Thursday, August 19, 2021 7:55 AM
To: Corona, Giuvanna
Subject: Re: CAS-118029-V3V6W1

[NOTICE] This message comes from a system outside of DBPR. Please exercise caution when clicking on links and/or providing sensitive information. If you have concerns, please contact your Knowledge Champion or the DBPR Helpdesk.

Good morning Giuvanna,

Finally have been able to sit down and formulate a response. I would love for the email to be stated during the September 22nd meeting. If there is an online venue to which I can attend, I would be happy to make it in attendance. I am very passionate about this subject and would be delighted to know any sort of contribution could help us as an industry move forward in a way beneficial to both agent and consumer.

Wish you all the best,

On Mon, Aug 16, 2021 at 11:14 AM Corona, Giuvanna <Giuvanna.Corona@myfloridalicense.com> wrote:

Good morning Mr. Freitas,

I hope this email finds you well and thank you for your comment (see below). The Rules Workshop meeting is scheduled for September 22, 2021 and I could introduce your email into public comment if that is your request. Thank you.

Contact Information

First Name :Mitchell
Last Name :Freitas
Phone Number :6174604065
Email :info@mitchellfreitas.com
Is Contact Email :Yes

Case Information

Case Number :
Board Type :FREC - Florida Real Estate Commission
License Number :3327321
File Number :
Application Number:

Good morning Giuvanna,

Hope this finds you well! I just read the Florida Realtors article on the proposed ad rule changes and I'm hoping that I am reaching out to the correct Giuvanna!!

As a professional in the marketing field, both professionally and academically, I am very concerned about the wording in the new proposed add ons. The terms stated as is seem to reflect a lack of understanding on how some of these advertising platforms work.

I understand the need for Realtors to continuously put forth transparent advertising for our consumers, but this cannot come at a cost of impediment to Realtors who already spend thousands in competition with the new major real estate companies (Zillow, Listingly, etc) for a share of ad space and a share of exposure.

Here are a few points I'd like to make:

- the standard SMS character count is 160 characters. On some phones like the iPhone we are used to going much beyond this, but the standard still remains. Being mandated to include our real estate company along with our names in any SMS ads takes away valuable space to actually convey a message. If your brokerage has a long name, that is required by the company to be spelled out in full (i.e. my own Premier Sotheby's International Realty), you are left with nearly nothing to communicate with the customer.

- Additionally you will find an even more limited amount of characters across different digital social ads such as Google ads where a mandate to add the brokerage names is either unreasonable by proper ad etiquette standards or just impossible by limiting characters.

Example: <https://support.google.com/google-ads/answer/1704389?hl=en>

Instead I propose the wording be changed to state that all digital ads, from SMS to paid social advertising and beyond, to include a landing page that will contain the required brokerage information on the page itself in an accessible and legible manner. This still places a fair amount of effort on transparency, while preserving an agent's right to effective advertising.

Please feel free to reach out if you have any additional questions and I hope this can shed some light on the upcoming decision!

-----END-----

Very Respectfully,

Giuvanna



Giuvanna Corona

FREC Executive Director
Division of Real Estate

Florida Department of Business and Professional
Regulation

Phone: 407-650-4087



Email: Giuvanna.Corona@myfloridalicense.com

The information contained in this message is confidential. If you are not the intended recipient, please: (i) delete the message and all copies; (ii) do not disclose, distribute or use the message in any manner; and (iii) notify the sender immediately. If you choose to contact this office by email or provide information in an interactive form on our site, such information, unless otherwise exempted by Florida law, is a public record and must be made available for public inspection upon request.

--

Mitchell Freitas

Sales Associate

Premier Sotheby's International Realty
7600 Dr Phillips Blvd #32 | Orlando, FL 32819

c: 617.460.4065 | o: 407.581.7888

info@mitchellfreitas.com

mitchell.freitas@premiersir.com

www.premiersothebysrealty.com

www.mitchellfreitas.com

Notice of confidentiality: This transmission contains information that may be confidential and that may also be proprietary; unless you are the intended recipient of the message (or authorized to receive it for the intended recipient), you may not copy, forward, or otherwise use it, or disclose its contents to anyone else. If you have received this transmission in error, please notify us immediately and delete it from your system.