

**ADVANCED REAL ESTATE PRACTICE**  
**COURSE CODE: 5451**

(New for 2024-25)

**COURSE DESCRIPTION:** Advanced Real Estate Practice is the second required course for pre-licensing students in the Real Estate program of study. Designed as a follow-up to the Fundamentals of Real Estate Practices course, it is intended to expand students' understanding of essential concepts of real estate sales and investing and prepare students for state licensure. Students will make an in-depth examination of state, federal and local regulations impacting the real estate industry, and the legal requirements to become a licensed real estate agent. In addition, students will develop entrepreneurial skills needed in the real estate industry by developing a business plan or marketing plan for a real estate practice.

The standards listed reflect the objectives of the SC Real Estate Commission to protect the public. If implemented in full and taught by an instructor approved by the SC Department of Licensing, Labor and Regulation, this course may meet state requirements for a portion of the 90 hours of pre-licensing coursework required to obtain a real estate salesperson's license. Specific course and instructor approval from the SC Department of Labor, Licensing and Regulation and the SC Real Estate Commission is required, however, in order for this course to meet those requirements.

**OBJECTIVE:** Given the necessary equipment, supplies, and appropriate software, the student will be prepared to successfully complete the following standards.

**COURSE CREDIT:** 1 unit (120 hours)

**PREREQUISITE:** Successful completion of Fundamentals of Real Estate Practice

**RECOMMENDED GRADE LEVEL:** Final semester of 12th grade, since in order to qualify to become a licensed real estate salesperson a person must be a high school graduate and older than 18 years.

**COMPUTER ACCESS REQUIRED**

**A. AGENCY AND CLIENT RELATIONSHIPS**

**Proficient real estate professionals are aware of their obligations to clients and customers, as defined by their role and industry standards of ethical practice. The following accountability criteria are considered essential for students in the Real Estate program of study.**

1. Describe the fiduciary duties of an agent to a client (obedience, loyalty, disclosure, confidentiality, accurate accounting, and reasonable care and diligence)
2. Differentiate between the types of agency relationships commonly held in real estate transactions (buyer's representative, seller's representative, disclosed dual agent, designated agent and transactional brokerage).

3. Explain what legal issues may arise from creating undisclosed dual agency relationships or implied agency relationships.
4. Identify and describe conflicts of interest, ethical issues and legal issues that may arise from a principal/agent relationship.
5. Distinguish between what constitutes a client and what is a customer.
6. Describe when the various agency relationships must be described to a potential client or customer.
7. Explain the roles and responsibilities of sellers' subagents.
8. Summarize the changes in SC agency laws effective January 2005 and January 2017, as well as any other recent revisions in regulations.
9. List and describe the minimum items required in a real estate broker's written office policy under SC Law.
10. Describe the role of the Broker in Charge under SC Law.
11. Diagram the roles of Brokers and Agents in various agency relationships.
12. Explain how an agent's relationship with a buyer or seller impacts his or her duty and ability to disclose or keep confidential certain information.

## **B. REQUIRED ENVIRONMENTAL AND AGENCY DISCLOSURES**

**Proficient real estate professionals are aware of their obligations to disclose certain information, as defined by their role and industry standards of ethical practice. The following accountability criteria are considered essential for students in the Real Estate program of study.**

1. List common environmental issues related to real estate and describe which of these issues a seller must disclose.
2. Describe the issues arising from the use of lead-based paint in homes prior to its prohibition in 1978. Explain when a lead-based paint disclosure must be made.
3. Describe sources of mold problems and hazards resulting from the presence of mold in a home.
4. Explain what radon gas is, its sources and how it should be tested for. Describe what levels of radon may be considered problematic.
5. Identify types of building materials that have been associated with environmental concerns and recalls (e.g., asbestos siding or insulation, artificial stucco, flame retardant plywood and certain drywall products).
6. Analyze and test a building for potential environmental hazards, such as lead-based paint or radon.
7. Complete a State of South Carolina Residential Property Condition Disclosure Statement for a sample case, including any required addendum.
8. Describe the balance between an agent's duties of confidentiality and his or her obligation to disclose certain issues regarding environmental issues and/or other material facts that may affect the market price of a property.

## **C. FAIR HOUSING REGULATIONS**

**Proficient real estate professionals represent a diverse group of clients and must be aware of fair housing laws and regulations, as well as their responsibilities under these regulations. The following accountability criteria are considered essential for students in the Real Estate program of study.**

1. Identify protected classes under the Fair Housing Act of 1968 (Race, Color, Sex, Religion, National Origin, Handicap, and Familial Status).
2. Describe exemptions except for race from the Fair Housing Act of 1968.
3. Identify protected classes under the 1866 Civil Rights Act and the impact of the 1968 US Supreme Court Decision in *Jones v Mayer*.
4. Describe discriminatory practices prohibited under federal law (e.g., Blockbusting, steering, refusal to show, differing treatment in terms of sale or lease, discriminatory advertising, threats, and redlining).
5. Describe exemptions to Fair Housing Laws intended to provide housing for senior citizens (age-restricted communities for 55+ or senior housing for those 62 or older only).
6. Identify agencies and courts responsible for enforcing federal fair housing laws and the penalties that may be imposed for violations.
7. Explain consumer rights under SC Fair Housing Law.
8. Identify agencies and courts responsible for enforcing SC fair housing laws and the penalties that may be imposed for violations.
9. Describe consumer rights to fair housing under the Americans with Disabilities Act and obligations of landlords and property owners under the act.
10. Explain how the ADA is enforced and potential penalties for ADA violations.
11. Analyze case studies involving potential discrimination, determine whether a law has been violated and describe the potential penalty if there is a violation.

## **D. REAL ESTATE CONTRACTS**

**Proficient real estate professionals are aware of their obligations to clients and customers, as defined by their role and industry standards of ethical practice. The following accountability criteria are considered essential for students in the Real Estate program of study.**

1. Define the term “contract” and describe the elements of a legal contract: offer, acceptance, genuine assent, consideration, competent parties and legal purpose.
2. Explain what is meant by “legal form” under the statute of frauds in real estate.
3. Describe and distinguish between various types of contracts (express vs. implied, bilateral vs. unilateral, executory vs. executed, enforceable vs. unenforceable).
4. Distinguish among contracts that are valid vs. voidable vs. void.
5. Explain how offers to purchase real estate may be terminated and under what conditions or circumstances that may occur.
6. Research various remedies for breach of contract, including specific performance, damages and rescission.
7. Describe what factors are considered when calculating damages from a breach of contract.

8. Define legal terms related to contracts, including contingency clauses, assignment, novation, good faith requirement, addendums, modifications, mediation, and witnesses.
9. Describe ways to legally modify or change a contract.
10. Identify issues that real estate professionals must be careful to avoid when assisting clients and/or customers with contracts, including the unauthorized practice of law.
11. Review a standard agreement to buy and sell residential real estate.
12. Identify potential problems in an improperly prepared contract.
13. Accurately complete a listing agreement based on information given in a case.
14. Based on a case, create understandable and concise language to insert into an offer to purchase real estate.
15. Based on a case, create understandable and concise language to insert into a counter-offer to sell real estate.

## **E. ETHICS AND REAL ESTATE**

**Proficient real estate professionals must be aware of societal expectations for ethical behavior in the industry and should hold themselves accountable to an ethical code that exceeds legal requirements. The following accountability criteria are considered essential for students in the Real Estate program of study.**

1. Define ethics and differentiate between legal requirements and ethical behavior.
2. Describe how different standards of conduct shape behavior in our society.
3. Examine the relationship between values, character and ethics. Describe how individual values inform our view of what is and is not ethical behavior.
4. Explain the role of industry trade associations such as the National Association of Realtors ® in establishing codes of ethical conduct within an industry.
5. Research the history and background of the National Association of REALTORS ® and its role in creating a code of ethics for real estate professionals to follow.
6. Describe the three major sections of the REALTORS ® Code of Ethics and who each section relates to.
7. Distinguish between “Articles” and “Standards of Practice” in the code.
8. Apply “case interpretations” from the code to scenarios.
9. Research specific articles from the REALTORS ® Code and identify possible cases of violations of the Code of Ethics.
10. Describe the steps of the Ethics Enforcement Process.
11. Distinguish between mediation and arbitration and explain when each is used under the REALTORS ® Code.
12. Describe the role of the Grievance Committee and the Professional Standards Hearing Panel in matters involving potential ethics violations.
13. Analyze potential ethical dilemmas in case studies and demonstrate appropriate professional judgment.
14. Present and argue a case about a potential ethical violation in a simulated hearing.

## **F. MEASURING AND APPRAISING THE VALUE OF REAL ESTATE**

**Proficient real estate professionals understand the appraisal process and how real property is valued. They also have a duty to keep current on market conditions in the areas they serve. The following accountability criteria are considered essential for students in the Real Estate program.**

1. Define what a real estate appraisal is and the key terms related to measurement of real estate and real estate appraisal.
2. Describe the different types of appraisers under SC licensing law and the types of property each is legally allowed to appraise. Explain education requirements for each level of certification.
3. Describe the difference between Market Value and Market Price.
4. Explain the elements, forces and economic principles that affect the value of real estate.
5. List the steps in the appraisal process.
6. Explain the difference between the three approaches to valuation and when it is appropriate to use each.
7. Calculate lot size based on exterior dimensions and calculate square footage of a building based on actual measurements.
8. Convert linear feet to square feet. Convert between square footage and acreage. Convert measurements between square feet and square yards. Convert measurements from cubic feet to cubic yards.
9. Create a Market Value Analysis to estimate the value of a home based on sales and listings of comparable properties. Correctly adjust the value of comparable properties to reflect characteristics of the subject property.
10. Define the term “capitalization rate” and explain how it relates to the value of a property. Describe the relationship between expected net operating income, capitalization rates, and property values.
11. Estimate the value of a property based on the income approach.
12. Define depreciation, replacement cost and reproduction cost. Estimate the value of a property using the cost approach.
13. Calculate an opinion of value by performing a reconciliation of all three appraisal approaches, giving appropriate weight to each approach.
14. Complete a Uniform Residential Appraisal Report for a property.

## **G. BUSINESS PLANNING**

**Real estate professionals often work as independent contractors or business owners, and therefore must have a basic understanding of income tax considerations. The following accountability criteria are considered essential for students in the Real Estate program.**

1. Apply basic sales and marketing concepts, such as The Marketing Mix, Target Market, Segmentation Strategies, SWOT Analysis, Environmental Scan, Promotional Methods, etc.
2. Develop marketing materials that could be used to list and market a property for sale.
3. Create and present a marketing pitch to obtain or sell a listing for a property.

4. Define key accounting terms, including income, deduction, profit, loss, independent contractor, self-employment tax, estimated taxes, and exemption.
5. Calculate income from commissions on real estate sales.
6. Identify deductible business expenses (e.g., advertising, office rent, dues and memberships, continuing education/professional development, telecommunications, equipment.)
7. Identify start-up expenses for a business (furniture, equipment, marketing costs, regulatory and legal costs).
8. Create a projected startup budget and income statement. Develop and present a business plan for a real estate practice.
9. Given a case study, complete a federal 1040 tax return, including Schedule C income from business and calculate the taxes due.

## **H. SC REAL ESTATE LICENSING EXAM REVIEW**

**Real estate sales professionals in South Carolina must hold a professional license issued by the SC Department of Labor, Licensing and Regulation. It is essential for students to be aware of state licensing laws. The following accountability criteria are considered essential for students in the Real Estate program.**

1. Explain the purpose of requiring real estate professionals to be licensed by the state government.
2. Describe the various regulatory agencies and commissions that regulate the practice of real estate sales in SC and how commissioners are selected.
3. List the powers and duties of the SC Real Estate commission.
4. Compare and contrast the different types of real estate licenses issued by the SC government and describe what each type of licensee is allowed to do.
5. Explain what activities require a person to have a valid license and what exceptions exist to exempt a person from licensing requirements.
6. Explain the penalties and consequences for practicing real estate without the proper license.
7. Describe the licensing process and qualifications required to be eligible for licensing as a real estate agent, a property manager, a real estate broker, and/or a property manager in charge.
8. Describe licensing requirements for SC non-residents requesting to be allowed to practice real estate in South Carolina.
9. Differentiate between various license statuses (e.g., active, inactive, expired, lapsed, cancelled and revoked) and explain what each status means to the licensee.
10. Describe continuing education requirements necessary to maintain a real estate license.
11. Describe the relationship between a real estate agent and his/her Broker in Charge, as well as the relationship between a property manager and his/her property manager in charge.
12. Demonstrate knowledge of proper procedures for handling client funds and proper procedure for handling commissions and other payments.
13. Differentiate between common license law violations (e.g., misrepresentation, guaranteeing future profits, dual contracts, failure to disclose material facts, violations of agency relationships, bouncing a check, paying commissions to an unlicensed person, and breaches of fair housing law.

14. Pass an exam designed to simulate the state and national licensing laws in length and scope.
15. Complete an application to take the SC licensing exam and an application to be licensed as a real estate sales agent.

*Safety, Student Organizations, Technology Knowledge, Personal Qualities and Employability Skills, and Professional Knowledge are to be embedded in standards A-H.*

## **SAFETY**

**Business professionals know the academic subject matter, including safety as required for proficiency within their area. The following accountability criteria are essential for students in the Real Estate program.**

1. Review school safety policies and procedures.
2. Review classroom safety rules and procedures.
3. Review safety procedures for using equipment in the classroom.
4. Identify major causes of work-related accidents in office environments.
5. Demonstrate safety skills in an office/work environment.

## **STUDENT ORGANIZATIONS**

**Proficient professionals know the academic subject matter, including professional development, required for proficiency within their area. The following accountability criteria are essential for students in the Real Estate program.**

1. Identify the purpose and goals of a Career and Technology Student Organization (CTSO).
2. Explain how CTSOs are integral parts of specific clusters, majors, and/or courses.
3. Explain the benefits and responsibilities of being a member of a CTSO.
4. List leadership opportunities that are available to students through participation in CTSO conferences, competitions, community service, philanthropy, and other activities.
5. Explain how participation in CTSOs can promote lifelong benefits in other professional and civic organizations.

## **TECHNOLOGY KNOWLEDGE**

**Proficient professionals know the academic subject matter, including the ethical use of technology as needed in their role. The following accountability criteria are considered essential for students in the Real Estate program of study.**

1. Demonstrate proficiency and skills associated with the use of technologies that are common to a specific occupation.
2. Identify proper netiquette when using e-mail, social media, and other technologies for communication purposes.
3. Identify potential abuse and unethical uses of laptops, tablets, computers, and/or networks.
4. Explain the consequences of social, illegal, and unethical uses of technology (e.g., piracy; cyberbullying; illegal downloading; licensing infringement; inappropriate uses of software, hardware, and mobile devices in the work environment).

5. Discuss legal issues and the terms of use related to copyright laws, fair use laws, and ethics pertaining to downloading of images, Creative Commons, photographs, documents, video, sounds, music, trademarks, and other elements for personal use.
6. Describe ethical and legal practices of safeguarding the confidentiality of business-related information.
7. Describe possible threats to a laptop, tablet, computer, and/or network and methods of avoiding attacks.

## **PERSONAL QUALITIES AND EMPLOYABILITY SKILLS**

**Proficient professionals know the academic subject matter, including positive work practices and interpersonal skills. The following accountability criteria are essential for students in the Real Estate program.**

1. Demonstrate creativity and innovation.
2. Demonstrate critical thinking and problem-solving skills.
3. Demonstrate initiative and self-direction.
4. Demonstrate integrity.
5. Demonstrate work ethic.
6. Demonstrate conflict resolution skills.
7. Demonstrate listening and speaking skills.
8. Demonstrate respect for diversity.
9. Demonstrate customer service orientation.
10. Demonstrate teamwork.

## **PROFESSIONAL KNOWLEDGE**

**Proficient professionals know the academic subject matter, including positive work practices and interpersonal skills, as needed in their role. The following accountability criteria are considered essential for students in any program of study.**

1. Demonstrate global or “big picture” thinking.
2. Demonstrate career and life management skills and goal-making.
3. Demonstrate continuous learning and adaptability skills to changing job requirements.
4. Demonstrate time and resource management skills.
5. Demonstrates information literacy skills.
6. Demonstrates information security skills.
7. Demonstrates information technology skills.
8. Demonstrates knowledge and use of job-specific tools and technologies.
9. Demonstrate job-specific mathematics skills.
10. Demonstrates professionalism in the workplace.
11. Demonstrate reading and writing skills.
12. Demonstrates workplace safety.