



# COMMONWEALTH of VIRGINIA

Department of Professional and Occupational Regulation

Terence R. McAuliffe  
Governor

Maurice Jones  
Secretary of  
Commerce and Trade

## VIRGINIA REAL ESTATE BOARD EDUCATION COMMITTEE MEETING MINUTES

Jay W. DeBoer  
Director

The Real Estate Board Education Committee met on Wednesday, January 21, 2015, at 2:00 p.m. at the Department of Professional & Occupational Regulation in Richmond.

Committee Members present: Steve Hoover, Chair  
Sandee Ferebee  
Lynn Grimsley  
Lee Odems

Board Member present: Joe Funkhouser

Staff Members present: Jay DeBoer, Director  
Mark Courtney, Senior Director  
Kevin Hoeft, Education Administrator

The meeting was called to order by Chairman Hoover at 2:05 p.m.

A motion was made and approved unanimously to approve the agenda at 2:06 p.m.

The first item on the meeting agenda was:

### Salesperson Pre-License Education & Examination Topics & Content

At its November 19, 2014, meeting, the Real Estate Board (REB) Education Committee asked Board staff to put together a comparison of the real estate salesperson education content areas from the following sources: 1) Virginia Association of Realtors' (VAR) 17 Suggested Examination Topics; 2) The 17 Question Content Areas on the PSI Exams' Salesperson License Examination; and 3) The 25 Required Pre-license Education Subjects in the Board's Regulations. The attached chart provides this comparison.

The Committee noted, as would be expected, there is much overlap in the three content areas. Mr. Courtney summarized the standard license examination development process. First, the license examination vendor sends out a job survey to much or all of the regulated community. Second, the survey responses are categorized into quadrants by their frequency and risk level - that is how often

does a licensee perform a certain task and how does a certain task affect the public health, safety and welfare? High frequency and high risk responses result in a large number of license examination questions, while low frequency and low risk responses result in few license examination questions. Third, the license examination vendor then reviews reference materials to determine which reference materials are required to ensure that prospective salespersons are receiving pre-license instruction that not only covers the high frequency and high risk job tasks, but is more in-depth to provide students with a broad understanding of the profession.

The Committee will continue to examine this subject in future meetings.

The second item on the meeting agenda was:

### **Broker Townhall Meetings**

At its November 19, 2014, meeting, the Real Estate Board (REB) Education Committee asked for input from Board-certified education providers on whether the Board should conduct mandatory townhall meetings for brokers similar to the townhall meetings conducted by the Maryland Real Estate Commission (MREC). The meetings would be conducted after the new regulations go into effect, and the purpose of the meetings would be to provide Virginia brokers with instruction on the new regulations.

There was some question as to whether the MREC had the authority to make its brokers attend these townhall meetings, but the MREC directed its staff to send all Maryland brokers a letter in March 2014 stating that the meetings were mandatory. MREC staff received many responses from brokers disputing that the meetings were mandatory. The Office of the Virginia Attorney General advised that the Virginia REB does not have the authority to force its brokers to attend mandatory broker townhall meetings.

The MREC held 15 meetings over a period of 15 weeks (one a week) at Maryland community colleges. Maryland has 4300 brokers. About 1500 of these brokers are out-of-state and did not attend a meeting. About 2200 of the 4300 brokers attended one of the 15 town hall meetings. The MREC took no disciplinary action against brokers who did not attend a meeting. The mandatory townhall meeting lasted about two hours and brokers were given three hours of CE credit for attending. It appears these meetings were received well by the brokers who attended.

The Virginia Association of Realtors Board of Directors recommends that if mandatory broker townhall meetings are conducted by the REB, then brokers who attend should receive two hours of Continuing Education (CE) credit.

The Committee agreed that the REB conducting broker townhall meetings would be a good idea and generally helpful, but the REB lacks the authority to require brokers to attend such meetings. Mr. DeBoer explained that a statutory change would be needed to authorize the REB to conduct mandatory townhall meetings and award CE credit to brokers who attend.

The Committee may continue to examine this subject at future meetings.

The third item on the meeting agenda was:

### **Instructor Input for License Examination Review**

At its November 19, 2014, meeting, the Real Estate Board (REB) Education Committee asked for input from Board-certified education providers on how the Board can receive input from Board-certified and Board-approved instructors for the purpose of license examination review.

DPOR Examinations Policy #600-03, "Restricted Participation in Examination Development and Review," prohibits instructors regulated by a DPOR policy board from participating in the development or review of examinations used by DPOR - such as the real estate licensing examinations. This restriction helps ensure examination security and integrity, and the DPOR Director may waive this restriction for good cause shown.

The Committee inquired as to whether a Board-certified or Board-approved instructor, although unable to actually participate in license examination workshops, could somehow provide input to the workshop. Mr. Courtney stated that the Board needs to exercise extreme caution so as to ensure that license examination question content would not inappropriately make its way back to an instructor and then into a classroom.

The VAR Board of Directors considered this request and has directed its Professional Development Committee to provide feedback to the REB on this matter.

The fourth item on the meeting agenda was:

### **Guidance Document on "Necessity for Written Brokerage Agreements" Changes**

At its November 19, 2014, meeting, the Real Estate Board tasked the Education Committee, Board staff and the Attorney General's Office to review and possibly clarify its Guidance Document on the Necessity of Brokerage Agreements.

Board staff met with Attorney General Office staff and Virginia Association of Realtors' (VAR) staff on January 13, 2015, to consider input received from Board members and to discuss this matter.

Mr. Hoover asked Mr. DeBoer to summarize the meeting's results. Mr. DeBoer said that the consensus from the meeting was that it would not be best to make any changes to the Guidance Document at this point. The new agency law has been in place for over two years now, and, for the most part, licensees understand and are complying with the requirements of the law. There are examples of non-compliance with the new law, but the Board has received very few complaints that licensees are not in compliance with the requirements of the new agency law. Making changes to the Guidance Document now may have the unintended consequence of adding confusion among the licensed population where little confusion currently exists. In addition, one of VAR's top priorities this year is to review comprehensively the Virginia agency law with the outcome possibly being making recommendations for significant changes to agency law for next year's General Assembly session.

The Committee agreed the Guidance Document generally is clear and that licensees across the Commonwealth are complying with its provisions. Changes that could be made to clear up any misunderstanding or misapplication of the Guidance Document would best be done statutorily rather than by the Board.

Deana Wilson of Alpha College of Real Estate indicated that the instructors at her school do not find the Guidance Document to be confusing, but they have found that some brokers disagree with its content and influence their salespersons to this end. Instructors are at times receiving push-back from some brokers and are left in a difficult situation in the classroom.

Other representatives of Board-approved schools indicated that understanding and teaching the Guidance Document is not difficult, but it can be difficult to understand and apply for those licensees who don't already have a firm grasp of agency.

The Committee next considered the education applications on the meeting agenda.

The following actions were taken:

- A. One Proprietary School application was reviewed and approved.
  - 1. Michael J. Bond Realty Inc. Chesapeake, VA  
Contact Person: Michael J. Bond

- B. One hundred and three continuing education course applications were reviewed; of these courses:

Twenty previously-approved applications for continuing education courses offered by approved schools were considered and approved. **(Review for Instructor Only)**

1. 19908 Virginia 8-Hour Mandatory Topics (On-line), 2 hours Fair Housing, 3 hours Ethics and Standards of Conduct, 1 hour Legal Updates, 1 hour Real Estate Agency, 1 hour Real Estate Contracts, NVREN **(Azmi Alkurd)**
2. 19912 Buyer Representation in Real Estate (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
3. 19953 Real Estate and Taxes: What Every Agent Should Know (On-line), 4 hours Real Estate Related, Kaplan Real Estate School **(F.A. Daniels)**
4. 19954 Everyday Ethics in Real Estate (On-line), 4 hours Ethics & Standards of Conduct, Kaplan Real Estate School **(F.A. Daniels)**
5. 19981 Sustainable Housing and Building Green (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
6. 19982 Risk Management (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
7. 19983 Red Flags Property Inspection Guide (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
8. 19984 Understanding 1031 Tax Free Exchanges (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
9. 19986 Real Estate Market Pulse (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
10. 19987 Mortgage Fraud and Predatory Lending: What Every Agent Should Know (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
11. 19988 Introduction to Commercial Real Estate Sales (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
12. 19989 Know the Code: Real Estate Ethics (On-line), 4 hours Ethics and Standards of Conduct, NVREN **(Azmi Alkurd)**
13. 19990 Environmental Issues in Your Real Estate Practice (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
14. 19991 Real Estate and Taxes! What Every Agent Should Know (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**

15. 19992 Property Management and Managing Risk (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
16. 19993 Foreclosures Short Sales REOs and Auctions (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
17. 19994 Real Estate Finance Today (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
18. 19995 Selling HUD Homes: Increase Your Client's Options (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**
19. 19996 VA Mandatory Broker Management and Agent Supervision, (On-line), 8 hours Broker Management, NVREN **(Azmi Alkurd)**
20. 19997 The Truth about Mold (On-line), 4 hours Real Estate Related, NVREN **(Azmi Alkurd)**

Eighty-three original applications for continuing education courses offered by approved schools were considered. Sixty-eight of these course applications were approved. Two "Real Estate Related" course applications were not approved for failing to indicate on the application which "Real Estate Related" approved content area is covered in the courses. Three "Real Estate Related" course applications were not approved for not meeting one of the approved "Real Estate Related" content areas. Ten "Real Estate Related" course applications were not approved because the course was providing instruction on subjects in which real estate licensees lack expertise and are, therefore, not qualified to advise the public.

1. 19897 Antitrust and Real Estate, 1 hour Broker Management, WAAR
2. 19899 Antitrust and Real Estate, 1 hour Real Estate Related, WAAR
3. 19903 Identifying Structural Deficiencies, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**
4. 19904 Spotlight on Decks, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**
5. 19909 Air Conditioning for an Older Home, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**
6. 19910 Wet Basements, 1 hour Real Estate Related, Home Inspection Pros, Inc.
7. 19911 Carbon Monoxide, 1 hour Real Estate Related, Home Inspection Pros, Inc.

8. 19913 The Fireplace, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**
9. 19914 Electrical Service Size, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**
10. 19915 Clandestine Drugs Labs, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**
11. 19916 Flat Roof Systems, 1 hour Real Estate Related, Home Inspection Pros, Inc.
12. 19917 Real Estate Market Pulse (On-Demand), 3 hours Real Estate Related, Dearborn Financial Publishing, Inc.
13. 19918 Discovering Commercial Real Estate (On-line), 3 hours Real Estate Related, The CE Shop, Inc.
14. 19920 Liens, Taxes and Foreclosure (On-line), 4 hours Real Estate Related, McKissock, LP
15. 19922 SRS - Seller Representative Specialist, 2 hours Ethics and Standard of Conduct, 1 hour Legal Updates, 2 hours Real Estate Agency, 2 hours Real Estate Contracts, 2 hours Real Estate Related, RAR
16. 19923 What Real Estate Professionals Need to Know About FHA (On-line), 4 hours Real Estate Related, McKissock, LP
17. 19924 How to Write a Winning Contract, 2 hours Contracts, Action Real Estate, LLC
18. 19925 How to Write a Winning Contract, 2 hours Broker Management, Action Real Estate, LLC
19. 19926 Going Green, 1 hour Real Estate Related, Home Inspection Pros, Inc.
20. 19927 Identifying Furnace Deficiencies, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**
21. 19928 Residential Contract Review, 4 Real Estate Related Subjects, MAI Institute
22. 19930 Home Maintenance in Perspective, 1 hour Real Estate Related, Home Inspection Pros, Inc.
23. 19932 How Old is this House?, 1 hour Real Estate Related, Home Inspection Pros, Inc.
24. 19933 Radon, 1 hour Real Estate Related, Home Inspection Pros, Inc.
25. 19934 Renovate, Remodel, Repair, 1 hour Real Estate Related, Home Inspection Pros, Inc.
26. 19935 Preparing for the Unexpected, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**

27. 19936 Plumbing, 1 hour Real Estate Related, Home Inspection Pros, Inc.
28. 19937 New Homes - A Closer Look, 1 hour Real Estate Related, Home Inspection Pros, Inc.
29. 19938 Grow Houses, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**
30. 19939 Hot Water Heat, 1 hour Real Estate Related, Home Inspection Pros, Inc.
31. 19940 Mold, 1 hour Real Estate Related, Home Inspection Pros, Inc.
32. 19941 How to Overcome Appraisal Challenges, 2 hours Real Estate Related, The Real Estate Academy, Inc.
33. 19943 Mastering the Residential Sales Contract, 2 hours Real Estate Contracts, MTE Settlement Services, LLC
34. 19944 Navigating a Hot Sellers' Market (On-line), 4 hours Real Estate Related, McKissock, LP **(Not approved - does not meet an approved "Real Estate Related" content area)**
35. 19945 Wells and Septic Systems, 1 hour Real Estate Related, Home Inspection Pros, Inc.
36. 19946 Indoor Air Quality, 1 hour Real Estate Related, Home Inspection Pros, Inc.
37. 19947 New Technologies for the Home, 1 hour Real Estate Related, Home Inspection Pros, Inc.
38. 19948 Older Homes, 1 hour Real Estate Related, Home Inspection Pros, Inc.
39. 19951 A Home Buyers Guide to Credit Scores (On-line), 2 hours Real Estate Related, McKissock, LP **(Not approved - does not meet an approved "Real Estate Related" content area)**
40. 19957 A Broker's Responsibilities: Supervising Agents, Escrow Management, Office Procedures, 4 hours Broker Management, RAR
41. 19958 A Broker's Responsibilities: Rules & Regs, Listing Office Policies and Grievance Process, 4 hours of Broker Management, RAR
42. 19959 Getting Your Contracts Right: The New NVAR Contract Form and Best Practices for Contract Development, 1 hour Real Estate Contracts, 1 hour Real Estate Related, The Settlement Group, Inc.
43. 19960 2015 NVAR Form Changes, 1 hour Real Estate Contracts, 2 hours Real Estate Related, PDI
44. 19961 Moving Toward Sustainable Housing, 1 hour Real Estate Related, Home Inspection Pros, Inc.



45. 19962 Termites: Where Are They Now, 1 hour Real Estate Related, Home Inspection Pros, Inc. **(Not approved - Expertise Lacking)**
46. 19965 Real Estate and Taxes: What every Agent Should Know (On-line), 4 hours Real Estate Related, Dearborn Financial Publishing, Inc.
47. 19966 A Broker's Responsibilities: Supervising Agents, Escrow Management, Audit Procedures, 1 hour Legal Updates, 3 hours Real Estate Related, RAR
48. 19967 A Broker's Responsibilities: Rules & Regs, Listing Office Policies and Grievance Process, 1 hour Real Estate Contracts, 3 hours Real Estate Related, RAR
49. 19968 Update on Consumer Financial Protection Bureau: What Realtors need to know about Integrated Mortgage Disclosure Rule, 1 hour Real Estate Related, The Settlement Group, Inc.
50. 19969 Real Estate Law and Board Regulations, 8 hours Real Estate Related, Towne Realty School of Real Estate
51. 19970 Professional Standards Seminar: Code Enforcement Done Right, 3 hours Ethics and Standards of Conduct, RAR
52. 19971 Toxic Drywall, 1 hour Real Estate Related, Home Inspection Pros, Inc.
53. 19973 Real Estate Safety-Protect Yourself During a Showing (On-line), 3 hours Real Estate Related, McKissock, LP **(Not approved - does not meet an approved "Real Estate Related" content area)**
54. 19974 Short Sales and Foreclosures (On-line), 3 hours Real Estate Related, McKissock, LP **(Not approved - did not indicate on the application which "Real Estate Related" approved content area is covered)**
55. 19975 Foreign Investment in U.S. Real Estate (On-line), 5 hours Real Estate Related, McKissock, LP **(Not approved - did not indicate on the application which "Real Estate Related" approved content area is covered)**
56. 19976 Real Estate Contracts, 1 hour Real Estate Contracts, Moseley-Dickinson Academy of Real Estate
57. 20008 Safe Real Estate Sales Practice: Avoiding those Common(Sometimes Expensive)

- Transactional Errors, 2 hours Real Estate Related, The Settlement Group
58. 20009 Clearing Title Matters, 2 hours Real Estate Related, Cindy Bishop Worldwide, LLC
59. 20010 Risk Management with the Use of Home Warranty, 1 hour Real Estate Related, Alpha College of Real Estate
60. 20011 Risk Management with the Use of Home Warranty, 2 hours Real Estate Related, Alpha College of Real Estate
61. 20012 Home Energy Audits, 1 hour Real Estate Related, Home Inspection Pros, Inc.
62. 20013 Virginia Real Estate Agency, 1 hour Real Estate Agency, Dulles Area Real Estate School
63. 20014 Real Estate Contracts, 1 hour Real Estate Contracts, Dulles Area Real Estate School
64. 20015 Fair Housing, 2 hours Fair Housing, Dulles Area Real Estate School
65. 20016 Ethics and Standards of Conduct, 3 hours Ethics and Standards of Conduct, Dulles Area Real Estate School
66. 20018 2015 Professional Standards Seminar, 3 hours Ethics and Standards of Conduct, 1 hour Real Estate Related, VAR
67. 20021 Broker Pitfalls and Resources, 2 hours Legal Updates, VAR
68. 20022 Broker Pitfalls and Resources, 2 hours Broker Management, VAR
69. 20023 Real Estate Pitfalls, 4 hours Real Estate Related, Alpha College of Real Estate
70. 20024 The Un-Sick House, 1 hour Real Estate Related, Home Inspection Pros, Inc.
71. 20025 Earnest Money Deposits: Navigating Dangerous Waters, 1 hour Legal Updates, VAR
72. 20026 Fair Housing, 2 hours Fair Housing, Moseley-Dickinson Academy of Real Estate
73. 20027 Earnest Money Deposits: Navigating Dangerous Waters, 1 hour Broker Management, VAR
74. 20028 Understanding the Conventional, FHA and VA Financing Addenda - 2015, 2 hours Real Estate Contracts, MBH Settlement Group, LC
75. 20029 Real Estate Law, Legal Updates and Emerging Trends, 1 hour Legal Updates, Dulles Area Real Estate School
76. 20030 8-Hour Mandated CE Course, 2 hours Fair Housing, 3 hours Ethics and Standards of Conduct, 1 hour Legal Updates, 1 hour Real

- Estate Agency, 1 hour Real Estate Contracts, PWAR
77. 20031 2015 Residential Sales Contract Addenda, 2 hours Real Estate Contracts, MBH Settlement Group, LC
  78. 20032 The Ins and Outs of the New Closing Disclosure, 2 hours Legal Updates, RECA
  79. 20033 CFPB and the New Closing Disclosure, 2 hours Real Estate Related, Cindy Bishop Worldwide, LLC
  80. 20034 Risk Management, 3 hours Real Estate Related, MBH Settlement Group, LC
  81. 20035 Compulsory 2015 Contract Crash Course, 6 hours Real Estate Contracts, MBH Settlement Group, LC
  82. 20046 Home Sweet (Second) Home: Vacation, Investment, Luxury Properties (On-line), 6 hours Real Estate Related, CE Shop, Inc.
  83. 20047 Sticks & Bricks, 3 hours Real Estate Related, Action Real Estate, LLC

C. Twenty post license education course applications were reviewed; of these courses:

Eight previously-approved applications for post license education courses offered by approved schools were considered and approved **(Review for Instructor Only)**

1. 19998 Ethics and Standards of Conduct (On-line), 3 hours Ethics and Standards of Conduct, Academy of Real Estate **(William Frost)**
2. 19999 Current Industry Issues & Trends (On-line), 2 hours Current Industry Issues & Trends, Academy of Real Estate **(William Frost)**
3. 20000 Real Estate Law and Board Regulations (On-line), 8 hours Real Estate Law and Board Regulations, Academy of Real Estate **(William Frost)**
4. 20001 Contract Writing (On-line), 6 hours Contract Writing, Academy of Real Estate **(William Frost)**
5. 20002 Virginia Agency Law (On-line), 3 hours Agency Law, Academy of Real Estate **(William Frost)**
6. 20003 Risk Management (On-line), 3 hours Risk Management, Academy of Real Estate **(William Frost)**
7. 20004 Fair Housing (On-line), 2 hours Fair Housing, Academy of Real Estate **(William Frost)**

8. 20005 Escrow Requirements (On-line), 3 hours  
Escrow Requirements, Academy of Real  
Estate (**William Frost**)

Twelve original applications for post license education courses offered by approved schools were considered and approved.

1. 19931 Contract Review and Writing, 6 hours  
Contract Writing, MAI Institute
2. 19942 SRS: Seller Representative Specialist,  
2 hours Current Industry Issues & Trends,  
RAR
3. 19977 Professional Standards Seminar: Code  
Enforcement Done Right, 3 hours Ethics and  
Standards of Conduct, RAR
4. 20006 Risk Management with The Use of Home  
Warranty, 2 hours Current Industry Issues &  
Trends, Alpha College of Real Estate
5. 20007 Clearing Title Matters, 2 hours Current  
Industry Issues & Trends, Cindy Bishop  
Worldwide, LLC
6. 20036 The Ins and Outs of the New Closing  
Disclosure, 2 hours Current Industry Issues  
and Trends, RECA
7. 20038 Understanding the Conventional, FHA and VA  
Financing Addenda-2015, 2 hours Current  
Industry Issues and Trends, MBH Settlement  
Group, L.C.
8. 20039 2015 Residential Sales Contract Addenda, 2  
hours Current Industry Issues and Trends,  
MBH Settlement Group, LC
9. 20040 Title Insurance and Surveys, 2 hours  
Current Industry Issues and Trends, MBH  
Settlement Group, LC
10. 20041 Bankruptcy and Foreclosure, 2 hours  
Current Industry Issues and Trends, MBH  
Settlement Group, LC
11. 20042 Compulsory 2015 Contract Crash Course, 6  
hours Contract Writing, MBH Settlement  
Group, LC
12. 20052 CFPB and the New Closing Disclosure, 2  
hours Current Industry Issues and Trends,  
Cindy Bishop Worldwide, LLC

D. Twenty-two pre-licensing instructor applications were reviewed. Twenty-one applications were approved. One applicant was approved on the condition the applicant provides additional information demonstrating expertise in Principles and Practices of Real Estate.

1. Georgia S. Hyland
2. Stephen W. Smith
3. Michael J. Bond
4. Nora Rainey
5. Michael K. Butters
6. Baylee L. Wang
7. William Whittman
8. Patricia Kline
9. Erin L. Newbill
10. Lydia A. Zache
11. Elizabeth M. W. Johnson
12. Kenneth S. Isaacman
13. Allene V. Murray
14. Jason W. Upp
15. James E. Monical
16. Yonna E. Smith
17. Vancy Soulong - **expert (Principles) (Approved pending submission of additional information)**
18. Maude E. Dixon - **expert (Principles)**
19. Shannon L. Milligan - **expert (Principles)**
20. Karen W. Hall - **expert (Appraisal, Brokerage, Finance, Law, Principles)**
21. Babur M. Baser - **expert (Principles)**
22. Reshawna S. Leaven - **expert (Principles)**

E. Twelve applications for pre-license education courses offered by approved schools were considered and approved.

- |    |       |   |
|----|-------|---|
| 1. | 19902 | 45-hour Broker Real Estate Law (Classroom), The Real Estate Academy, Inc.   |
| 2. | 19905 | 45-hour Broker Real Estate Brokerage (Classroom), Kirks Institute for Advanced Real Estate Studies                  |
| 3. | 19929 | 45-hour Broker Real Estate Appraisal (Classroom), The Real Estate Academy, Inc.                                     |
| 4. | 19979 | 60-hour Salesperson Principles and Practices of Real Estate (Classroom), Fairfax County Adult & Community Education |
| 5. | 19985 | 45-hour Broker Real Estate Law (CRP), Peninsula Real Estate School  |
| 6. | 20043 | 45-hour Broker Real Estate Brokerage (Classroom), Henderson Professional Development Seminars                       |
| 7. | 20044 | 60-hour Salesperson Principles and Practices of Real Estate (On-line), The Real Estate Academy, Inc.                |

8. 20045 45-hour Broker Professional Property Management (Other - CRP), Peninsula Real Estate School
9. 20048 60-hour Salesperson Principles and Practices of Real Estate (CRP), Action Real Estate, LLC
10. 20049 60-hour Salesperson Principles and Practices of Real Estate (CRP), New Star Realty School
11. 20050 60-hour Salesperson Principles and Practices of Real Estate (Class), Key Realty & Investment, Inc.
12. 20051 60-hour Salesperson Principles & Practices of Real Estate (On-line), Digital Learning Centers

F. Five continuing and post license education instructor applications to teach previously-approved continuing and post license education courses were considered and approved.

1. **Diann G. Burns** - 19736 (Events of Default and the Earnest Money Deposit), 19735 (Understanding the VA Jurisdictional Addendum), 19364 (Mastering the Regional Sales Contract), **MTE Settlement Services, LLC**
2. **Nancy Garrison** - 14033 (Agency), 16436 (Buyer Agency and Disclosure Forms), 14056 (Contracts), 13659 (Ethics and Standards of Conduct), 13753 (Fair Housing Practically Speaking), 13925 (Legal Updates & Emerging Trends), 15450 (Offer to Purchase), 16675 (Regional Sales Contract and Objectives), 16438 (Brokerage Relationship Informing the Consumer), 18718 (Current Industry Issues and Trends), 18728 (Contract Writing), 18702 (Keeping the Trust), 18724 (Ethics and Standard of Conduct), 18749 (Risk Management), 18743 (VA Agency Law), 18300 (Fair Housing), 19181 (VA Law: Your License & The RE Board), **Long and Foster Institute of Real Estate**
3. **Laura Farley** - 19014 (Commissions-Getting Paid the Right Way), 18933 (Commissions-Being Paid the Right Way), 17326/18522 (Disclosure Shall Set You Free), **Piedmont School of Real Estate**
4. **John Moore, Bryan Baker, and Sarah Cox** - 19457 (Flood 101 - Taking the Fear Out of Flood), **Long and Foster Institute of Real Estate**
5. **T. Stewart Rauch and Stephanie H. Campbell** - 19135 (Foreclosures in Virginia), 19148 (Judgments & Liens: A Real Estate Agent's Perspective), 06772 (Describing Real Property), 018124 (10 Things Every Loan Officer Wished Every Realtor Would Know), 19149 (CFPB

Combined Disclosures), 19150 (ALTA's Best Practices),  
19146 (1031 Exchanges: What Realtors Need To Know),  
**Old Republic National Title Insurance Company**

G. Other Business

Mr. DeBoer brought to the Committee's attention that Delegate Stolle introduced in the 2015 General Assembly session HB 2295, a bill requiring one-hour of CE instruction in "Flood Hazard Areas and the National Flood Insurance Program."

H. Public Comment

There was no further public comment

The meeting adjourned at 3:41 p.m.

Attachment

<u>VAR Suggestions for Salesperson Exam</u>	<u>Topic Areas on Current Salesperson Exam</u>	<u>Board Regulation on Pre-Licensure Education for Salesperson</u>
<p>The following is a suggested list of topic areas in which applicants for a salesperson’s license should expect to have to show broad-based knowledge. The numbers in parenthesis show a range of the number of questions on the test itself in that subject matter area.</p> <p><b>1. The Settlement Process (5-10)</b></p> <ul style="list-style-type: none"> <li>☑ RESPA, CRESPA and the Wet Settlement Act</li> <li>☑ The Loan Estimate form and process (New CFPB form effective 2015)</li> <li>☑ The Closing Disclosure (New CFPB form effective 2015)</li> <li>☑ Title Insurance and surveys</li> <li>☑ Deeds, deeds of trust and other closing documents</li> </ul> <p><b>2. Agency and Brokerage (20-25) (Virginia Specific)</b></p> <ul style="list-style-type: none"> <li>☑ Definition</li> <li>☑ Formation and termination of agency and other brokerage relationships</li> <li>☑ Conflicts and how to handle them: dual and designated agency</li> <li>☑ Duties of agents representing sellers, buyers, tenants, landlords</li> <li>☑ Limited service brokerage</li> </ul>	<p><b>NATIONAL PORTION – 80 Questions (REAL ESTATE PRINCIPLES/PRACTICES) CONTENT OUTLINE</b></p> <p><b>A. Property ownership (7 items)</b></p> <ol style="list-style-type: none"> <li>1. Classes of property <ol style="list-style-type: none"> <li>a. Real versus personal property</li> <li>b. Defining fixtures</li> </ol> </li> <li>2. Land characteristics and legal descriptions <ol style="list-style-type: none"> <li>a. Physical characteristics of land</li> <li>b. Economic characteristics of land</li> <li>c. Types of legal property descriptions</li> <li>d. Usage of legal property descriptions</li> <li>e. Physical descriptions of property and improvements</li> <li>f. Mineral, air and water rights</li> </ol> </li> <li>3. Encumbrances and effects on property ownership <ol style="list-style-type: none"> <li>a. Liens (types and priority)</li> <li>b. Easements and licenses</li> <li>c. Encroachments</li> </ol> </li> <li>4. Types of ownership <ol style="list-style-type: none"> <li>a. Types of estates</li> <li>b. Forms of ownership</li> <li>c. Leaseholds</li> <li>d. Common interest ownership properties</li> <li>e. Bundle of rights</li> </ol> </li> </ol>	<p><b>18VAC135-20-400. Course content of real estate principles and practices. The following shall be included in the four-semester-hour or six-quarter-hour course which shall not have less than 60 class hours:</b></p> <ol style="list-style-type: none"> <li>1. Economy and social impact of real estate</li> <li>2. Real estate market and analysis</li> <li>3. Property rights</li> <li>4. Contracts</li> <li>5. Deeds</li> <li>6. Mortgages and deeds of trust</li> <li>7. Types of mortgages</li> <li>8. Leases</li> <li>9. Liens</li> <li>10. Home ownership</li> <li>11. Real property and title insurance</li> <li>12. Investment</li> <li>13. Taxes in real estate</li> <li>14. Real estate financing</li> <li>15. Brokerage and agency contract responsibilities</li> <li>16. Real estate marketing</li> <li>17. Real property management</li> <li>18. Search, examination, and registration of title</li> <li>19. Title closing</li> </ol>



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<p>☒ Disclosure of agency relationships</p> <p>☒ Independent contractor relationships and other alternatives to agency</p> <p>☒ Written brokerage agreements and when they should be signed</p> <p><b>3. Contracts (20-25)</b></p> <p>☒ The elements of contract formation</p> <p>☒ Offer and acceptance; counteroffers</p> <p>☒ Contingencies</p> <p>☒ The Statute of Frauds and the enforceability of contracts</p> <p>☒ Defenses to contracts</p> <p>☒ Breach, default and remedies</p> <p>☒ Proper use of standard forms; filling out a contract</p> <p><b>4. Property Condition Issues and Disclosure (5-10) (Virginia Specific)</b></p> <p>☒ The statutory and regulatory disclosure obligations of the listing agent, the buyer's agent and the seller</p> <p>☒ The Residential Property Disclosure Act; stigmatized property; rights and obligations of the parties; the Disclosure Statement</p> <p>☒ Lead paint disclosure and proper use of the federal Lead Paint Disclosure Form</p>	<p><b>B. Land use controls &amp; regulations (5 items)</b></p> <p>1. Government rights in land</p> <p>a. Property taxes and special assessments</p> <p>b. Eminent domain, condemnation, escheat</p> <p>c. Police power</p> <p>2. Public controls based in police power</p> <p>a. Zoning and master plans</p> <p>b. Building codes</p> <p>c. Environmental impact reports</p> <p>d. Regulation of special land types (floodplain, coastal, etc.)</p> <p>3. Regulation of environmental hazards</p> <p>a. Abatement, mitigation and cleanup requirements</p> <p>b. Restrictions on sale or development of contaminated property</p> <p>c. Types of hazards and potential for agent or seller liability</p> <p>4. Private controls</p> <p>a. Deed conditions or restrictions for specific properties</p> <p>b. Homeowners association (HOA) regulations</p> <p><b>C. Valuation and market analysis (8 items)</b></p> <p>1. Value</p>	<p>20. Appraisal of residential and income producing property</p> <p>21. Planning subdivision developments and condominiums</p> <p>22. Regulatory statutes</p> <p>23. Housing legislation</p> <p>24. Fair housing statutes</p> <p>25. Real Estate Board regulations</p> <p>Statutory Authority</p> <p>§ <a href="#">54.1-2105</a> of the Code of Virginia.</p>

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<p>☐ Disclosure of non-property related issues</p> <p>☐ Inspections of property</p> <p><b>5. Fair Housing (5-10) (Virginia Specific)</b></p> <p><b>6. Common Interest Communities (5) (Virginia Specific)</b></p> <p>☐ Disclosure requirements under the Property Owners' Association and Condominium Acts</p> <p>☐ Contents of the POA information packet and condominium resale certificate</p> <p>☐ Permissible fees and charges</p> <p>☐ Delivery of documents; methods and timeframes</p> <p>☐ Contractual requirements</p> <p><b>7. Advertising (5-10) (Virginia Specific)</b></p> <p>☐ Definition of advertising</p> <p>☐ Disclosures: on-line, print and other advertising</p> <p>☐ What may be advertised and how?</p> <p>☐ The content of ads; misleading ads</p> <p>☐ Use of social media</p> <p><b>8. Escrow (10-15) (Virginia Specific)</b></p> <p>☐ Earnest money deposits</p>	<p>a. Market value and market price</p> <p>b. Value</p> <p>i. Types and characteristics of value</p> <p>ii. Principles of value</p> <p>iii. Market cycles and other factors affecting property value</p> <p>2. Methods of estimating value/appraisal process</p> <p>a. Market or sales comparison approach</p> <p>b. Replacement cost or summation approach</p> <p>c. Income approach</p> <p>d. Basic appraisal terminology (e.g., replacement versus reproduction cost, reconciliation, depreciation, kinds of obsolescence)</p> <p>3. Competitive/Comparative Market Analysis (CMA)</p> <p>a. Selecting and adjusting comparables</p> <p>b. Contrast CMA and appraisal</p> <p>i. Price per square foot</p> <p>ii. Gross rent and gross income multipliers</p> <p>iii. Capitalization rate</p> <p>4. Appraisal practice; situations requiring appraisal by a certified appraiser</p> <p><b>D. Financing (6 items)</b></p> <p>1. General concepts</p> <p>a. LTV ratios, points, origination fees,</p>	

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<ul style="list-style-type: none"> <li>☒ Security deposits</li> <li>☒ Other money held for clients</li> <li>☒ Contract requirements</li> <li>☒ Payments from escrow</li> </ul> <p><b>9. Property Leasing and Management (20-25) (Virginia Specific)</b></p> <ul style="list-style-type: none"> <li>☒ Licensing requirements</li> <li>☒ Virginia Residential Landlord Tenant Act; Virginia Landlord Tenant Act</li> <li>☒ Residential leases</li> <li>☒ Property management agreements</li> <li>☒ Statutory duties and obligations</li> </ul> <p><b>10. Commercial Real Estate (20-25)</b></p> <ul style="list-style-type: none"> <li>☒ Office and retail leases; full service with CAM; net to triple net</li> <li>☒ Sales of office, retail and multi-family properties</li> <li>☒ Americans with Disabilities Act; accessibility issues</li> <li>☒ Environmental issues</li> <li>☒ Land use issues</li> <li>☒ Financing of the commercial project</li> </ul> <p><b>11. Real Estate Board Regulations (15-20) (Virginia Specific)</b></p> <ul style="list-style-type: none"> <li>☒ Licensure of individuals and companies; business entity salesperson</li> </ul>	<p>discounts, broker commissions</p> <ul style="list-style-type: none"> <li>b. Mortgage insurance (PMI)</li> <li>c. Lender requirements, equity, qualifying buyers, loan application procedures</li> </ul> <p>2. Types of loans and sources of loan money</p> <ul style="list-style-type: none"> <li>a. Term or straight loans</li> <li>b. Amortized and partially amortized (balloon) loans</li> <li>c. Adjustable rate mortgage (ARM) loans</li> <li>d. Conventional versus insured</li> <li>e. Reverse mortgages; equity loans; subprime and other nonconforming loans</li> <li>f. Seller/owner financing</li> <li>g. Primary market</li> <li>h. Secondary market</li> <li>i. Down payment assistance programs</li> </ul> <p>3. Government programs</p> <ul style="list-style-type: none"> <li>a. FHA</li> <li>b. VA</li> <li>c. Other federal programs</li> </ul> <p>4. Mortgages/deeds of trust</p> <ul style="list-style-type: none"> <li>a. Mortgage clauses (assumption, due-on-sale, alienation, acceleration, prepayment, release)</li> <li>b. Lien theory versus title theory</li> <li>c. Mortgage/deeds of trust and note as separate documents</li> </ul> <p>5. Financing/credit laws</p>	

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<ul style="list-style-type: none"> <li>☐ Standards of Practice and Conduct</li> <li>☐ Disclosure of interest</li> <li>☐ Improper conduct and dealing</li> <li>☐ Conflicts of interest</li> <li>☐ Improper brokerage commission</li> <li>☐ Misrepresentation</li> <li>☐ Record keeping requirements</li> </ul> <p><b>12. Real Estate Finance (5-10)</b></p> <ul style="list-style-type: none"> <li>☐ The structure of a mortgage loan</li> <li>☐ The loan agreement</li> <li>☐ Terms of the note, deed of trust and other loan documents</li> <li>☐ Mortgagee title insurance</li> <li>☐ The survey and survey affidavit</li> <li>☐ Subordinate financing</li> <li>☐ Federal loan programs</li> </ul> <p><b>13. Purchase and Sale of Distressed Property (10-15)</b></p> <ul style="list-style-type: none"> <li>☐ REO and foreclosure sales</li> <li>☐ Short sales</li> <li>☐ Drafting contracts; contingencies</li> <li>☐ Federal tenant-protection statutes</li> </ul> <p><b>14. Real Estate Math (5-10)</b></p> <ul style="list-style-type: none"> <li>☐ Simple interest</li> <li>☐ Rates of return</li> <li>☐ Rents and deposits</li> </ul>	<ul style="list-style-type: none"> <li>a. Lending and disclosures <ul style="list-style-type: none"> <li>i. Truth in lending</li> <li>ii. RESPA</li> <li>iii. Equal Credit Opportunity</li> </ul> </li> <li>b. Fraud and lending practices <ul style="list-style-type: none"> <li>i. Mortgage fraud</li> <li>ii. Predatory lending practices (risks to clients)</li> <li>iii. Usury lending laws</li> <li>iv. Appropriate cautions to clients seeking financing</li> </ul> </li> </ul> <p><b>E. General principles of agency (10 items)</b></p> <ul style="list-style-type: none"> <li>1. Nature of agency relationships <ul style="list-style-type: none"> <li>a. Types of agents and agencies (special, general, designated, subagent, etc.)</li> <li>b. Nonagents (transactional/facilitational)</li> <li>c. Fiduciary responsibilities</li> </ul> </li> <li>2. Creation and disclosure of agency and agency agreements (general, not state specific) <ul style="list-style-type: none"> <li>a. Agency and agency agreements</li> <li>b. Disclosure when acting as principal or other conflict of interest</li> </ul> </li> <li>3. Responsibilities of agent/principal <ul style="list-style-type: none"> <li>a. Duties to client/principal (buyer, seller, tenant or landlord)</li> <li>b. Traditional common law agency duties; effect of dual agency on agent's duties</li> </ul> </li> </ul>	

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<p>☐ Prorations (rent, taxes, expenses and other items)</p> <p>☐ Settlement statements</p> <p>☐ Net sheets</p> <p>☐ Good faith estimates</p> <p>☐ Capitalization</p> <p><b>15. Valuations (5-10)</b></p> <p>☐ BPOs and CMAs</p> <p>☐ Using comparables</p> <p>☐ Using income</p> <p>☐ Using replacement cost</p> <p><b>16. New Construction (5-10)</b></p> <p>☐ Pricing and marketing</p> <p>☐ Negotiating the contract: title issues, locating the lot, schedules for construction and draws, Contractor Board contract requirements</p> <p>☐ Mechanics liens</p> <p>☐ The draw process (when the owner owns the lot and if financing the construction)</p> <p>☐ The certificate of occupancy</p> <p>☐ The walkthrough</p> <p>☐ Settlement</p> <p>☐ Post-settlement issues</p> <p><b>17. Current Legal Issues</b></p>	<p>4. Responsibilities of agent to customers and third parties, including disclosure, honesty, integrity, accounting for money</p> <p>5. Termination of agency</p> <p>a. Expiration</p> <p>b. Completion/performance</p> <p>c. Termination by force of law</p> <p>d. Destruction of property/death of principal</p> <p>e. Mutual agreement</p> <p><b>F. Property condition and disclosures (8 items)</b></p> <p>1. Property condition disclosure</p> <p>a. Property owner’s role regarding property condition</p> <p>b. Licensee’s role regarding property condition</p> <p>2. Warranties</p> <p>a. Purpose of home or construction warranty programs</p> <p>b. Scope of home or construction warranty programs</p> <p>3. Need for inspection and obtaining/verifying information</p> <p>a. Explanation of property inspection process and appropriate use</p> <p>b. Agent responsibility to inquire about “red flag” issues</p>	

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	<ul style="list-style-type: none"> <li>c. Responding to non-client inquiries</li> <li>4. Material facts related to property condition or location               <ul style="list-style-type: none"> <li>a. Land/soil conditions</li> <li>b. Accuracy of representation of lot or improvement size, encroachments or easements affecting use</li> <li>c. Pest infestation, toxic mold and other interior environmental hazards</li> <li>d. Structural issues such as roof, gutters, downspouts, doors, windows, foundation</li> <li>e. Condition of electrical and plumbing systems, and of equipment or appliances that are fixtures</li> <li>f. Location within natural hazard or specifically regulated area, potentially uninsurable property</li> <li>g. Known alterations or additions</li> </ul> </li> <li>5. Material facts related to public controls, statutes of public utilities               <ul style="list-style-type: none"> <li>a. Zoning and planning information</li> <li>b. Boundaries of school/utility/taxation districts, flight paths</li> <li>c. Local taxes and special assessments, other liens</li> <li>d. External environmental hazards</li> <li>e. Stigmatized/psychologically impacted property, Megan’s Law issues</li> </ul> </li> </ul>	

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	<p><b>G. Contracts (11 items)</b></p> <ol style="list-style-type: none"> <li>1. General knowledge of contract law               <ol style="list-style-type: none"> <li>a. Requirements for validity</li> <li>b. When contract is considered performed/discharged</li> <li>c. Assignment and novation</li> <li>d. Breach of contract and remedies for breach</li> <li>e. Contract clauses</li> </ol> </li> <li>2. Listing agreements               <ol style="list-style-type: none"> <li>a. General requirements for valid listing</li> <li>b. Exclusive listings</li> <li>c. Non-exclusive listings</li> </ol> </li> <li>3. Buyer/tenant representation agreements, including key elements and provisions of buyer and/or tenant agreements</li> <li>4. Offers/purchase agreements               <ol style="list-style-type: none"> <li>a. General requirements</li> <li>b. When offer becomes binding (notification)</li> <li>c. Contingencies</li> <li>d. Time is of the essence</li> </ol> </li> <li>5. Counteroffers/multiple counteroffers               <ol style="list-style-type: none"> <li>a. Counteroffer cancels original offer</li> <li>b. Priority of multiple counteroffers</li> </ol> </li> <li>6. Leases               <ol style="list-style-type: none"> <li>a. Types of leases, e.g., percentage, gross, net, ground</li> </ol> </li> </ol>	

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	<ul style="list-style-type: none"> <li>b. Lease with obligation to purchase or lease with an option to purchase</li> <li>7. Other real estate contracts               <ul style="list-style-type: none"> <li>a. Options</li> <li>b. Right of first refusal</li> </ul> </li> <li><b>H. Transfer of title (5 items)</b> <ul style="list-style-type: none"> <li>1. Title insurance               <ul style="list-style-type: none"> <li>a. What is insured against</li> <li>b. Title searches, title abstracts, chain of title</li> <li>c. Cloud on title, suit to quiet title</li> </ul> </li> <li>2. Deeds               <ul style="list-style-type: none"> <li>a. Purpose of deed, when title passes</li> <li>b. Types of deeds (general warranty, special warranty, quitclaim) and when used</li> <li>c. Essential elements of deeds</li> <li>d. Importance of recording</li> </ul> </li> <li>3. Escrow or closing; tax aspects of transferring title to real property               <ul style="list-style-type: none"> <li>a. Responsibilities of escrow agent</li> <li>b. Prorated items</li> <li>c. Closing statements/HUD-1</li> <li>d. Estimating closing costs</li> <li>e. Property and income taxes</li> </ul> </li> <li>4. Special processes               <ul style="list-style-type: none"> <li>a. Foreclosure/short sale</li> <li>b. Real estate owned (REO)</li> </ul> </li> </ul> </li> </ul>	



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	<p><b>I. Practice of real estate (12 items)</b></p> <ol style="list-style-type: none"> <li>1. Trust/escrow accounts (general, not state specific) <ol style="list-style-type: none"> <li>a. Purpose and definition of trust accounts, including monies held in trust accounts</li> <li>b. Responsibility for earnest money and other trust monies, including commingling/conversion</li> </ol> </li> <li>2. Federal fair housing laws <ol style="list-style-type: none"> <li>a. Protected classes <ol style="list-style-type: none"> <li>i. Covered transactions</li> <li>ii. Specific laws and their effects</li> </ol> </li> <li>b. Compliance <ol style="list-style-type: none"> <li>i. Types of violations and enforcement</li> <li>ii. Exceptions</li> </ol> </li> </ol> </li> <li>3. Advertising and technology <ol style="list-style-type: none"> <li>a. Incorrect “factual” statements versus “puffing” <ol style="list-style-type: none"> <li>i. Truth in advertising</li> <li>ii. Fair housing issues in advertising</li> </ol> </li> <li>b. Fraud, technology issues <ol style="list-style-type: none"> <li>i. Uninformed misrepresentation versus deliberate misrepresentation (fraud)</li> <li>ii. Technology issues in advertising and marketing</li> </ol> </li> </ol> </li> <li>4. Agent supervision and broker-associate relationship</li> </ol>	

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	<ul style="list-style-type: none"> <li>a. Liability/responsibility for acts of associated licensees (employees and independent contractors) and unlicensed employees</li> <li>b. Responsibility to train and supervise associated licensees (employees and independent contractors) and unlicensed employees</li> <li>5. Commissions and fees               <ul style="list-style-type: none"> <li>a. Procuring cause/protection clauses</li> <li>b. Referrals and other finder fees</li> </ul> </li> <li>6. General ethics               <ul style="list-style-type: none"> <li>a. Practicing within area of competence</li> <li>b. Avoiding unauthorized practice of law</li> </ul> </li> <li>7. Antitrust laws               <ul style="list-style-type: none"> <li>a. Antitrust laws and purpose</li> <li>b. Antitrust violations in real estate</li> </ul> </li> <li><b>J. Real estate calculations (6 items)</b> <ul style="list-style-type: none"> <li>1. Basic math concepts                   <ul style="list-style-type: none"> <li>a. Area</li> <li>b. Loan-to-value ratios</li> <li>c. Discount points</li> <li>d. Equity</li> <li>e. Down payment/amount to be financed</li> </ul> </li> <li>2. Calculations for transactions, including mortgage calculations</li> <li>3. Property tax calculations</li> <li>4. Prorations (utilities, rent, property</li> </ul> </li> </ul>	

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	<p>taxes, insurance, etc.)</p> <ul style="list-style-type: none"> <li>a. Commission and commission splits</li> <li>b. Seller's proceeds of sale</li> <li>c. Transfer tax/conveyance tax/revenue stamps</li> <li>d. Amortization tables</li> <li>e. Interest rates</li> <li>f. Interest amounts</li> <li>g. Monthly installment payments</li> <li>h. Buyer qualification ratios</li> </ul> <p>5. Calculations for valuation</p> <ul style="list-style-type: none"> <li>a. Competitive/comparative market analyses (CMA)</li> <li>b. Net operating income</li> <li>c. Depreciation</li> <li>d. Capitalization rate</li> <li>e. Gross rent and gross income multipliers (GRM, GIM)</li> </ul> <p><b>K. Specialty areas (2 items)</b></p> <ul style="list-style-type: none"> <li>1. Subdivisions, including development-wide CC&amp;Rs</li> <li>2. Commercial, industrial and income property <ul style="list-style-type: none"> <li>a. Trade fixtures</li> <li>b. Accessibility</li> <li>c. Tax depreciation</li> <li>d. 1031 exchanges</li> <li>e. Trust fund account for income property</li> </ul> </li> </ul>	

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	<p style="text-align: center;"><b>STATE PORTION – 40 Questions (VIRGINIA STATE REAL ESTATE LAWS AND REAL ESTATE BOARD RULES)</b></p> <p><b>The State Real Estate Laws and Real Estate Board Rules include knowledge of state legislation as outlined in the Virginia Revised Statutes and Administrative Codes dealing with real estate licensing. Also included is knowledge of legislation and rules governing license law, transfer taxes, property taxes, and fair housing.</b></p> <p><b>A. Licensing [7 items]</b></p> <ol style="list-style-type: none"> <li>1. Qualifications/Requirements <ol style="list-style-type: none"> <li>a. Broker’s Supervisory Requirements</li> <li>b. Disciplinary Procedures and Sanctions <ol style="list-style-type: none"> <li>i. Improper Dealings</li> <li>ii. Improper Brokerage</li> </ol> </li> <li>c. Virginia Real Estate Transaction Recovery Act</li> <li>d. Real Estate Education</li> </ol> </li> </ol> <p><b>B. Escrow Accounts [6 items]</b></p> <p><b>C. Disclosure Requirements [9 items]</b></p> <ol style="list-style-type: none"> <li>1. Property Disclosure Form (including</li> </ol>	

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	<p>Chesapeake Bay Act)</p> <ol style="list-style-type: none"> <li>2. Aircraft Noise/Crash Disclosure</li> <li>3. Septic Disclosure</li> <li>4. Megan’s Law</li> <li>5. Stigmatized Properties</li> <li>6. Advertising</li> </ol> <p><b>D. Agency Definitions/Relationships [10 items]</b></p> <ol style="list-style-type: none"> <li>1. Limited Service</li> <li>2. Disclosure of Agency</li> <li>3. Agency duties</li> <li>4. Designated and Dual Agency</li> </ol> <p><b>E. Virginia Fair Housing Law and Regulations [3 items]</b></p> <p><b>F. Specific Acts Pertaining to Real Estate Practice [5 items]</b></p> <ol style="list-style-type: none"> <li>1. Virginia Real Estate Time-Share Act and Regulations</li> <li>2. Virginia Condominium Act and Regulations</li> <li>3. Virginia Residential Landlord and Tenant Act</li> <li>4. Virginia Common Interest Communities Act</li> <li>5. Virginia Underground Utility Damage Prevention Act</li> </ol>	