

# Real Estate Principles

## Chapter 1: An Introduction to Real Estate

- The Real Estate Industry
- Real Estate Transactions
- Real Estate Brokerage
- Real Estate as a Career
- Real Estate and the Law

## Chapter 2: The Nature of Real Property

- Types of Property
- Elements of Real Property
- Appurtenances
  - Air Rights
  - Water Rights
  - Solid Mineral Rights
  - Oil and Gas Rights
  - Other Appurtenant Rights
- Attachments
  - Natural Attachments
  - Man-made Attachments: Fixtures
  - Annexation and Severance
  - Distinguishing Fixtures from Personal Property
  - Mobile Homes as Fixtures
- Characteristics of Real Property
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- Land Description
  - Surveys
  - Methods of Description

## Chapter 3: Real Property Ownership

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- Methods of Holding Title
  - Ownership in Severalty
  - Concurrent Ownership
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- Common Interest Developments
  - Condominiums
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## **Chapter 4: Transferring Ownership**

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- Voluntary Alienation
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- Involuntary Alienation
  - Dedication
  - Intestate Succession
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  - Condemnation
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  - Adverse Possession
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- Recording
- Title Protection
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## **Chapter 5: Encumbrances**

- Encumbrances
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## **Chapter 6: Public Restrictions on Land**

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  - Building Codes
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  - Floodplain Restrictions
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- Eminent Domain
- Taxation
  - General Real Estate Taxes
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- Legal Classifications of Contracts
- Elements of a Valid Contract
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  - Lawful Objective
  - Consideration
  - The Writing Requirement
- Legal Status of Contracts
- Discharging a Contract
- Breach of Contract
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## **Chapter 8: Types of Real Estate Contracts**

- Listing Agreements
  - Earning a Commission
  - Elements of a Listing Agreement
- Purchase Agreements
  - Typical Provisions
  - Binder
  - Amendments
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- Land Contracts
  - Rights and Responsibilities of the Parties
  - Remedies for Default
  - Reasons for Using a Land Contract
- Leases
  - Requirements for a Valid Lease
  - Lease Renewal
  - Transferring Leased Property
  - Termination of a Lease
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## **Chapter 9: Real Estate Agency Law**

- Introduction to Agency
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- The Legal Effects of Agency
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  - The Agent's Duties to the Principal
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  - Agency Relationships: A Historical Perspective
  - Types of Agency Relationships
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- Real Estate Licensing
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  - Administration of Real Estate License Laws
  - When a Real Estate License is Required
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  - Qualifications for a License
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- The Broker/Salesperson Relationship
- Regulation of Business Practices
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  - Handling Transactions
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- Real Estate Finance Documents
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## **Chapter 12: Applying for a Mortgage Loan**

- Choosing a Lender
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- Basic Loan Features
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  - Loan-to-Value Ratios
  - Secondary Financing
  - Fixed and Adjustable Interest Rates
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- Methods of Appraisal
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- Reconciliation and Final Estimate of Value
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## **Chapter 14: Closing Real Estate Transactions**

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- Closing Costs and Settlement Statements
  - Preparing a Settlement Statement
  - Guide to Settlement Statements
- Income Tax Aspects of Closing
  - 1099-S Reporting
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- Real Estate Settlement Procedures Act
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  - RESPA Requirements
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## Chapter 15: Income Taxation and Real Estate

- Basic Taxation Concepts
- Nonrecognition Transactions
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- Special Provisions for Home Buyers and Sellers
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- Deductions Available to Property Owners
  - Depreciation and Cost Recovery Deductions
  - Uninsured Casualty or Theft Loss Deductions
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  - Deductibility of Points and Other Loan Costs
  - Vacation Home Deductions
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  - Rental Payment Deductions
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## Chapter 16: Civil Rights and Fair Housing

- The Civil Rights Act of 1866
- The Civil Rights Act of 1964
- The Federal Fair Housing Act
  - Exemptions
  - Prohibited Acts
  - Handicap and Familial Status
  - HUD and Enforcement
- Federal Fair Lending Laws
- Equal Access to Facilities
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- Complying with Fair Housing Laws
  - Working with Clients
  - Advertising Properties
  - Actions That Do Not Violate Fair Housing Laws
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- The Management Agreement
- The Management Plan
  - Preliminary Study
  - The Management Proposal

- Management Functions
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  - Risk Management
  - Environmental Issues
- Landlord/Tenant Law
  - Lease Provisions
  - Rent Control
- Types of Leases

## **Chapter 18: Home Ownership and Construction**

- To Rent or to Buy?
- Factors to Consider When Choosing a Home
- Property Insurance
  - What is Covered
  - Types of Insurance
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  - Changes in Policy
  - Home Warranty
- Construction
  - Local Codes and Regulations
  - The Role of the Architect
  - Plans and Specifications
  - Wood Frame Construction
- Glossary of Construction Terms

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  - Profit or Loss Problems
  - Capitalization Problems
- Tax Assessment Problems
- Seller's Net Problems
- Proration Problems
  - Property Tax Prorations
  - Insurance Prorations
  - Rent Prorations
  - Mortgage Interest Prorations