Chapter 1

A. Residential
   1. Residential
      Special purpose
      Commercial
      Industrial
      Agricultural
      Business Opportunities

      Residential specialist
      Commercial/industrial property leasing agent
      Franchise investment specialist
      Syndicator
      Property manager
      Subdivider
      Loan broker/lender
      Business opportunity specialist
      Mobile home specialist
      Mineral, oil and gas properties specialist

B. Appraisers
   Escrow agents/title companies
   Contractors
   Architects
   Attorneys
   Engineers
   Financial institutions
   Pest control inspectors
   Surveyors
   Home inspectors
   Escrow coordinators
   Personal assistants
   Credit reporting agencies
   Accountants
   Mortgage brokers/lenders
   Insurance salespeople
   Licenses

   Salesperson
   Broker
   Appraiser
   Contractor
   Law

   1. 18
   6. one
   7. five

   Practice
   Appraisal
   Principles
   1. one

   B. 1. Social Security number
   2. Child support
   3. Proof of Legal Presence

D. 1. Frauds
   one
   real
   lease
   employment
   2. Professions
      promise
      agency
      profit
      advertising
      incompetence
   3. Housing
      a. discrimination
      redlining
   b. Disabilities
      Civil
   4. price fixing

E. 1. 12
   3
   2. 45
   3
   3. 45

F. 2. Realtors

C. A. 1. 18
   4. Real Estate Principles
   7. 18
Chapter 2.

A.1. Misrepresentations
  1. signed
  2. Negotiable
  3. Underestimating
  4. False
  5. misleading
  6. fraud
  7. representation
  8. disclosure
  9. escrow
  10. duty
  11. Contingency
  12. disclose
  13. profit

D.R.E.
Commissioner
suspended
revoked

B.1. Commissioner
agreement
  1. amount and type of supervision
  2. duties
  3. compensation

2. Business
reasonable

3. Independent Contractor

C.1. Commissions
  3.b. referral
  1. referral
  2. RESPA

E. Association
Car insurance
Errors and Omissions Insurance

F. Management
Goals

Q. Goals
Chapter 3.

A.1. **agent**
    broker
    salesperson
    clients/principals
    customers

2.a. **actual**
    b. ratification or estoppel
    c. implied or ostensible

3.a. by action of one or both parties
    b. by operation of law
    c. expiration of term
    d. extinction of subject matter
    e. death or incapacity
       gratuitous agent

4. Fiduciary
   principal
   advice
   informed decisions
   **fair and honest dealing**

5. represent
   disclose

7. sub-agency

9. **relationships**
   “BY”
   a. new
      seller
      listing agent
   b. new
      buyer
      selling agent
   c. new
      seller
      selling agent

10. **elect**
    both agents
    LEGAL
    disclose, elect, and confirm

B.1. **TDS form**
    sale
    exchange
    lease with an option to purchase
    ground lease with improvements
    probate sale
    court ordered sale
    properties covered by a DRE public report
    trustee’s sale/foreclosures

2. **Easton vs. Strassburger, 1984**
   inspection
   dual

   **buyer’s**
   fiduciary
   buyer
   advise

   dual
   seller’s
   fiduciary
   seller

   prior
   three

   substitute
   seller’s
   significant
   malfunction
   signatures
   listing

   material facts
   additional agent
   signature

C. **Financing**
D. **FIRPTA**
   CAL-FIRPTA
   Non-Foreign

E. **Mandated disclosures**
   5. Natural Hazard Disclosure
   10. Smoke Detector Statement of Compliance
   11. Water Heater Statement of Compliance
   14. Mold
      1. Permit
      2. Zoning
Chapter 4

A. sales
   communicates
   information
   consumers

B. identify
   People
   1. Driver
   2. Theorist
   3. Analyst
   4. Feeler

C. much
   little
   much
   1. open-ended question
   directed question
   closed-end question
   expanders
   restatement
   reflection
   silence
   2. gestures
   expressions
   Dress
   3. environment
   distractions
   jargon
   assuming
   inattention
   opinion
   hearing
   fatigue
   prejudice
   4. cultural
   differences

D. pictures
   lifestyle
   exciting

Chapter 5

A. everywhere
   Floor time/opportunity time, open houses,
   civic clubs
   community service
   existing property owners
   management

C. Geographic farms
   People farms
   Expired listings
   For sale by owners
   Target marketing

D. Face-to-face
   Telephone
   Personal mail
   Mass mailing
   Planned exposure
   Time
   Money
   Comfort
Chapter 6

A. employment
   property owner
   real estate broker
   firm
   designated broker

   listing agreement
   safety clause

B. disclosures
   seller
   listing agent
   prudent practice
   prior

C. net
differ
due on sale ordinances

   escrow officer
   percentage
   higher
   listing tool
   want
   range

D. CMA
   legally
   numerous
   accuracy
   comps
   Sold Properties
   Currently On The Market
   Pending Sales
   Expired Listings

   market value
   days
   multiple offers

   competition
   buy
   desirable

   sell
   poor marketing effort
   too high a price
   inadequate terms
   undesirable condition
   location
   market conditions

Listing Tool
Marketing Tool
Buying Decision
Appraisal Use

E. Disclosure Regarding Real Estate Agency Relationships
   before
   CMA
   Rate charts from title company, escrow and lenders.
   disclosure
   listing
   marketing
   mentally
   script

F. Breaking the ice
   motivation
   communicator
   Why list the property
   your firm
   assurance
   you
   expert
   modest
   Price
   CMA
   objects
   Answering objections
   commission
   sincere
   honest
   Get the signature and get out!

G. Commission
   Trust
   How to
   I have a friend

H. communications
   staging
   showings
   sell
   listing packet
   forms
Chapter 7

A. AIDA
   Attention
   Interest
   Desire
   Action

B. Public relations is free
   Advertising
   Promotions

   Public relations
   Advertising
   Promotions
   desired outcome

C. Institutional
   Merchandise

   Madison Avenue approach
   1. institutional

   advertising

D. media
   newspapers
   Radio
   Magazines
   Signs
   Promotional
   Brochures

   set-up
   placement
   size
   nature
   co-op
   discount

   original

D. (cont.) Down payment
   due date
   APR

F. promotional

G. Marketing

accepted
communication

marketing tool
MLS
remarks
facts
accurate
correctly
appropriate
stand out
initial
encouraging
involve
Chapter 8

A. Floor calls
   Open houses
   qualifying process
   rapport
   referrals
   represented
   agency relationship

Wants
Needs
Hot button
Decision maker
Motivation
Ability to buy
qualifying

B. financial ability
realistic price range

financially qualify
pre-approval letter
pre-qualification letter

subject to
ratios
presumed

filled out a loan application
approval
subject to
fully qualified buyer

C. Previewing
   broker caravan
   broker open house
previewing
Open houses

D. 1. Preparation
   Confidence
   qualifying
   Property choice

   drive
   waste
   meet you there
   separate

   rapport
   route

   sold
   buyer
   needs

   three
   best interest of the buyer

   order
   works best
   client

   3.
   arrive

   4.
   Lead
   control
   discover
   questions
   responses

   positive
   negative

E. What would make it better?
Would you prefer a larger home in poorer condition or one in a less costly neighborhood?
OK, let’s consider what other neighborhoods fit your needs and price range.
I see your point. I wonder how much brighter it might be if the trees were trimmed back.
Will you buy this house if the seller will take less?
I’m glad we discovered that. What is it about a newer home that is better for you?
I agree. We should discover why. OR
They are high, but there are more amenities offered than elsewhere. Wouldn’t you enjoy these extra benefits?

agreeing
positive

   excuse
   buy
   defensive, indifferent, or irritated

F. Meet people at your office
Let someone in your office know where you are going and arrange to check back.
Leave your name and phone number with someone in your office.
Drive your own car.
Carry a cell phone.
Do not carry large sums of money or wear expensive jewelry.
Team showings may be appropriate in some cases.
Plan what to do if something bad should happen.

g. buyer loyalty
Deserve
Ask for
work for
exclusively

h. Ask the buyer to buy
Alternative close
The assumptive close
The subordinate question
The summary
The physical action
The narrative
The inducement

fiduciary duty
informed decisions
disclosures

b. various contracts
competent
explain

C. buyer’s market
seller’s market
residential purchase agreement
receipt for deposit
joint escrow instructions
licenses
not
legal and tax advice
attorney or CPA
Bar
practicing law

1. all
2. add up
purchase price
contractually
difference
3. buyer’s
tenant
before
occupancy agreement
4. negotiable
customarily
5. timing
not
prior

Transfer Disclosure Agreement
3rd party vendor/geologist
Natural Hazard Disclosure
industrial
military
Mello-Roos
6. disclosure
discussion
material facts
specific disclosures
condominium
7. present physical condition
no seller warranties
Buyers
notice
inspections
8. personal and real property
without
9. thoroughly
array
14
10. seller’s
obligations
11. responsibilities
buyer
inspectors
12. Preliminary Title Report
carefully read
Title
legal
tax
refer
attorney and/or accountant
14. days
vary
sufficient time
must
selling
extension in writing
seller
option
18. special assessments
reassessment
supplemental tax bill
20. authority
21. anti-discrimination
22. prevailing
23. select
24. changes
writing
buyer
seller
25. attached supplements
27. confirms
agency
28. open
signed
30. Buyer/Broker agreement
31. authority
specific
32. seller
33. acknowledge
signed acceptance
D. Buyer’s Inspection Advisory
addendum
carefully review
prior
writing the offer
obligations
buyer
F. special
additional

Chapt. 10

A. format
presentation
present
buyer’s agent
selling agent
different
circumstances
players
seller’s market
prepared
homework
motivations
condition
current
B. Before the offer, the buyer's written plan must outline opportunity for competition among multiple qualified buyers.

C. The offer should be addressed to both the listing agent and the principal agent. If the listing agent is the same as the principal agent, both agents should be notified of the offer.

1. Offer must include:
   a. Offer amount
   b. Date first offered
   c. Contact information
   d. Written confirmation

2. Seller's dual agent must handle the offer immediately and in good faith. The offer is not legally binding until the seller's agent discloses the offer and the seller accepts it.

3. Seller's agent must advise the seller to:
   a. Lower the commission
   b. Advise on best price
   c. Advise to refer licensed third-party offer presentation

4. Seller's dual agent must:
   a. Advise client
   b. Advise seller
   c. Advise on disclosure
   d. Advise on offer

5. Seller's dual agent must act as a fiduciary.

6. Offer should be in writing, not oral.

7. Seller's dual agent must disclose:
   a. Seller's name
   b. Offer amount
   c. Date first offered
   d. Contact information
   e. Written confirmation
Chapt. 10 cont.

fiduciary
overstep
boundaries
Prudent
discussion
effect
electing

not
mandated
brokerage

D.

review
measuring
subjective
fair housing laws
seller
carefully
undesirable
goal
client
informed
decision
facts
pros and cons
focused
seller's net proceeds
bottom
buyer's market
CMA

handled
listing
selling
wishes
listing

Money
Terms
Personal Property
Occupancy
Time
Closing Costs
Repairs
Contingencies

Chapter 11

I. Binding
A. listing
   informed
   after (blank)
   commission
   rejects
   depends
   legal
   may
   commission
   2. addendum
   4. same
   5. different
   6. back-up
   commission
   rejects
   right
   listing
   selling
demand
terms

B. Counter offer
   Multiple counter offers
   Addendum
   Contingency

II. A.
   counter offer
   ramifications
   agents
   B. sequentially
      require
      risk
      checked
      not
   C. change
      void
      both
      writing
      minds
      binding
      Compromise
      reasonableness

III. agrees
    offer
    addendum
    counter offer
    after
    offer
    risk
Chapt. 11 cont.

subject
binding (blank)
not
obligated
30

IV.
contingency
must
specified
Time periods
removal
always
writing

non-performance
revoked

Ratified
mediation
specific performance – require sale completion
declare sale void
buyer's

not
cancellation

Chapt. 12

A.
grantor
performance
escrow
escrow officer
neutral
stakeholder

instructions
earnest neutral
title
beneficiary
insurance policy
settlement
recording

B.
Officer
Agents
Financial

Instructions
Confidentiality
Neutrality
Documents
Monies
Not
Amending
Mutual

Terms
Provisions
Legal
Tax
Real Estate
C. Full Performance
Mutual consent
Revocation
Impossibility
all
D. complete
binding contract
E. duties
title insurance fee
charged separately
negotiated
F. prior
Abstract
Insurance
Opens
Search
Identity
Preliminary
Policy

cloud
red flags
G. CLTA
ALTA
H. responsibilities
signature
inspections
insurance
signature
repairs
clouds
done
I. FIRPTA
Foreign Investment in Real Estate Property
Tax Act
penalized
buyer
A. Sources: Brokers, mortgage bankers, non-bank lenders.

B. Conventional loans:
- Mortgage: $333,700
- Interest rate: 20%
- ARM
- VA

C. Character:
- Capital
- Character
- Capacity
- Lower

D. Loan:
- Appraise
- Instrument
- Qualify

E. Rate:
- Schedule
- Balloon Payment
- Loans

F. Payments:
- Acceleration clause
- Carry-back trust deeds
- Seller financing
- Addendum and Disclosure

G. Securities:
- Dealer
- Tax
- Broker
- Contact with the appraiser

H. Damage:
- Usury laws
- Foreclosure
- Wraparound loans

I. Settlement:
- Settlement
- Title report
- Underwriter
- Deposit

J. Other:
- Employment
- Rate
- APR
- Regulation Z
- RESPA
- Finance charge
- Itemization

K. Cont.
- Risk
- Greater
- Capacity
- Loan contracts

L. VA:
- Graduated rate
- No certificate of reasonable value
- Occupancy

M. FHA:
- Homeowners
- Land contracts
- $250,000
- $50,000

N. VA:
- Conventional loans
- ARMs
- Vet
- Jumbo
- FHA
- VA

O. Study Guide:
- Chapter 13 Study Guide
A. Basis

Gain
Cash Realized

B. pro-rations
Fiscal
Recordation 13
Supplemental
Installments
Delinquent

C. 13
60
90

D. homeowners interest expense

  property tax
$250,000
$500,000
installment exchanges

E. profit

F. We are licensed in California to sell real estate, not to give legal or tax advice.

  legal

  tax

  current

A. needs
Increasing net worth
Cash flow
Tax savings
Pride of ownership
Leverage
Jargon

B. APOD
Vacancy/credit
Utilities
Repairs/maintenance
Taxes/insurance
Debt Service

C. Capitalization rate
Internal rate of return
Gross rent multiplier
Net operating income

D. Depreciation
tax purposes
Physical
Functional
Economic

E. 1031
like kind
eliminate
defers
Starker
reverse
buy
parked
180

F. 1. sales and leasing
management
home sales
(blank)

  2. Bulk sales
  Alcoholic Beverage Control
  Equalization
  4. Property Management
  Appraisal

G. Escrow
Title Insurance
Right-of-way Agent
Development