



WEST VIRGINIA REAL ESTATE COMMISSION

REAL ESTATE SALESPERSON PRE-LICENSE EDUCATION COURSE OUTLINE

**for use in 90-hour course(s)
approved by the Commission**

**West Virginia Real Estate Commission
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FOREWORD

The decision to make a career in real estate, as with the choice of any vocation, merits very careful consideration. Real estate is one of the few remaining vocations based firmly on the principle of individual initiative. It allows ample scope for a person to reap full rewards from their efforts. A good income may be the reward as well as the satisfaction of assisting people to fulfill their housing dreams.

Many people start to enter the real estate vocation only to discover that they cannot complete the required education and examination, or, having done so, they are unsuited to the work. A successful career in real estate is based on more than meeting the license qualifications. Successful real estate licensees have the ability, enthusiasm, knowledge, and the will to work hard. They are both willing and capable of keeping up with both the increasing knowledge level demanded of persons in a vocation which strives towards professionalism and the stringent competency level required by the public. Their working hours tend to be long and almost invariably involve evening and weekend work, often requiring the sacrifice of personal plans. The high incomes earned by a few real estate salespersons are usually the result of plenty of plain hard work, long hours, and --- most often today --- advanced education and training.

Because earnings are usually on a commission basis, hard work may increase income. Should a licensee choose not to work hard or if they are unsuited to a career in real estate, the commission basis also means that they will have little or no protection of income level. A prospective licensee should also take into account the cost as well as the time needed to establish and maintain a practice and to provide an income to meet their personal requirements.

There are costs not only to the licensee but to the real estate broker as well. Make no mistake, the cost of employing and retaining a person as a salesperson is a real one for the real estate firm. Real estate offices today provide office facilities, advertising, telephones, training, and other essentials at a considerable cost to the firm.

Real estate offers an extremely wide variety of specialties for those who can qualify by experience and extra training. Included are appraisal, mortgage financing, commercial sales and leasing, farm sales, investment real estate, land development, counseling, research, and many others. Is real estate the right career for you?

INTRODUCTION

Course Purpose

The general purpose of the ***Real Estate Course Outline for Salesperson license*** is to serve as a guide in developing and offering a salesperson pre-license education course.

It should assist in providing the direction and continuity needed to ensure that the candidate meets the standards established by Law for fulfilling the 90 hours education needed to meet the educational requirements for the salesperson license examination.

Course Description

The course developed following this outline will introduce the license candidate to the main terminology, basic concepts, and practices in the areas of Real Estate theory and practice. A broad foundation is the intent of the outline. The learning objectives are intended to assure minimal competence in the fundamentals of real estate. There are sections in this Outline dedicated specifically to Real Estate Principles and Practices, Real Estate Law, Real Estate Finance, and Real Estate Appraisal. License law and Regulations should be incorporated throughout the course as it relates to each topic.

Textbooks and Other Instructional Materials

The Commission recommended textbooks for course and other instructional materials may be found in the Bibliography portion of this document.

Pre-License Instructors

Pre-License Instructors must have been approved by and registered with the Commission prior to teaching the course. **(Regulation § 174-3-3.).**

Mathematics Instruction

This outline calls for instruction on mathematical functions relating to real estate practice to be provided under the various subject areas involving such mathematical functions rather than as a separate subject area. Instruction in basic mathematics concepts such as decimals, fractions, percentages, multiplication, and division is included in this course outline.

Course Completion

Legislative Rule § 174-3.3.- Real estate courses, course providers and instructors is reprinted below. Pre-License Schools must strictly adhere to the requirements of these rules.

§174-3-3. Real estate courses, course providers and instructors.

3.1. Approval by Commission. -- Unless exempted by statute, all real estate courses, course providers and instructors must be approved by and registered with the Commission prior to advertising or offering pre-license or continuing education courses, although a provider may

advertise a course submitted for approval prior to approval by including a plain, visible statement that the course has not yet been approved by the Commission. Applications for approval shall be on forms prescribed by the Commission and through a process prescribed by the Commission. The required approval fees, set forth in Series 2 of these rules, must be submitted with the application. Application fees are non-refundable. Post-secondary education institutions are approved providers without having to go through the approval process prescribed by the Commission.

3.2. Renewal; failure to renew.

3.2.a. To remain active, all course, course provider, and instructor approvals shall be renewed on an annual basis. Such renewal shall be on forms and through a process as prescribed by the Commission. The required, non-refundable, renewal application fee, set forth in Series 2 of these rules, must be submitted with the application.

3.2.b. All pre-license course, course provider, and instructor approvals shall be renewed no later than December 31 of each calendar year. Real estate pre-license courses which have not been renewed by this deadline may no longer be offered. Real estate pre-license course providers and instructors, who have not renewed by this deadline, may no longer offer or teach pre-license real estate courses. Any real estate pre-license course, course provider or instructor not renewed by this deadline will need to be approved following the process set out in 3.1 of this rule. Approved and renewed instructors may not teach under a pre-license provider who has not renewed.

3.2.d. To be eligible to renew, all pre-license and continuing education instructors shall complete annual instructor development workshops when offered by the Commission, unless the attendance is waived by the Commission.

3.3. Out-of-state providers. -- Out-of-state education providers must register with the West Virginia Secretary of State prior to offering any education services in the State and take all other necessary steps to legally conduct business in West Virginia prior to their application with the Commission.

3.4. Pre-License education.

3.4.a. The ninety hours (six college credit hours) course prescribed for applicants for a salesperson's license shall consist of:

30 clock hours -- Real Estate Principles and Practice

20 clock hours -- Real Estate Law

20 clock hours -- Real Estate Finance

20 clock hours -- Real Estate Appraisal

3.4.c. In order to sit for the real estate examination, the applicant must score 70% or higher in each subject area.

Licensing examination

WV Salesperson licensing examination is administered by PearsonVUE under a contract with the Commission.

Information about the examination content, rules for the examination, how to register for the examination and what to do following the examination can be found in the Candidate Handbook. Each license candidate should review the Handbook prior to taking the examination. A copy of the handbook can be downloaded from the Commission's website.

RECOMMENDED LEARNING LEVEL

The recommended learning levels are based on the Bloom's Taxonomy levels of the cognitive domain of learning. Course developers and providers must follow the six (6) categories or levels within the cognitive domain when developing or teaching a course: knowledge, comprehension, application, analysis, syntheses, and evaluation.

The higher level of learning assumes that learners have mastered the lower learning level/s.

Knowledge

Knowledge, as the lowest level, is defined as the remembering of previously learned material and information such as common terms, methods and procedures, basic concepts, principles, and facts.

Comprehension

Comprehension is defined as the ability to understand the meaning of presented material and information. As the lowest level of understanding, comprehension may be demonstrated by explaining, summarizing, describing, and interpreting trends, interpreting charts and graphs, and predicting effects.

Application

Application refers to the ability to use learned material in new and concrete situations. This may include the application of laws, rules, principles, and theories to real practical situations; solving of mathematical problems, and demonstration of correct usage of concepts, methods, and procedures. Learning outcomes in this area require of higher

level of understanding than those under comprehension.

Analysis

Analysis refers to the ability to break down material and information into its building elements or segments to facilitate the understanding of its structure and organization. The process may include the identification of the individual segments and elements, analysis of the correlation between them, and of the principals involved in their organization. The outcomes for this level are more complex and require an understanding of both the content and the structural form of the material.

Synthesis

Synthesis refers to the ability to combine the individual elements and components together and create a new organizational structure. The learning outcomes are of higher intellectual level and require more creative behavior.

Evaluation

Evaluation is the highest level and refers to the ability to determine and estimate the value of a specific object and/or process for a specific purpose, utilizing defined criteria. Learning outcomes on this level combine elements of all previous levels and therefore are the most complex.

It is recommended that each topic area of the course be taught to the *Analysis* learning level.

In addition, while it is not required to teach the subjects in the sequence shown in this course outline, every education provider must ensure that the instruction meets the main learning objectives required to ensure that the prospective licensees are minimally competent in the basics of real estate.



I. INTRODUCTION TO REAL ESTATE BUSINESS

A. Real Estate Business- Many specializations

B. Types of Real Property

C. Types of Housing

D. The Real Estate Market

1. Supply and demand
2. Factors affecting supply
3. Factors affecting demand

E. Real Estate investment

II. REAL PROPERTY AND THE LAW

A. Land, Real Estate and Real Property

1. Land
2. Real Estate
3. Real Property
4. Appurtenant ownership rights (e.g. surface rights, subsurface rights, air rights, water rights).

B. Real Property versus Personal Property.

1. Personal property (Chattels)
2. Fixtures:
 - a. Legal test of fixtures
 - b. Trade fixtures

C. Characteristics of Real Property

1. Economic characteristics

2. Physical characteristics

D. Ownership of Real Property (Bundle of Legal Rights)

E. Laws affecting Real Estate Practice

III. INTERESTS IN REAL ESTATE

A. Estates in Land

1. Fee simple estates
 - a. Fee simple absolute
 - b. Fee simple defeasible
2. Life Estate
 - a. Conventional Life Estate. Ordinary and Pur Autre Vie. The difference between remainder and reversion interests.
 - b. Legal life estate. Dower, homestead, courtesy.
3. Leasehold estates.
 - a. Estate for Years (Tenancy for Years)
 - b. Estate from period to period (Periodic Tenancy)
 - c. Estate at Will (Tenancy at Will)
 - d. Estate at Sufferance (Tenancy at Sufferance)

B. Government powers

1. Police Power
2. Eminent domain
3. Taxation
4. Escheat

C. Encumbrances

1. Liens: classification; common types; lien priority; the effects of a lien on title.
2. Deed restrictions.

- a. Covenants, conditions, and restrictions.
- 3. Easements. Creation and termination.
- 4. Licenses
- 5. Encroachments
- 6. Other potential encumbrances
- D. Homeowners Association Regulations.

IV. FORMS OF REAL ESTATE OWNERSHIP

A. Ownership in severalty

B. Co-ownership

- 1. Tenancy in common
- 2. Joint tenancy
- 3. Ownership by married couple
 - a. Tenancy by entirety
 - b. Community property

C. Trusts

- 1. Living and testamentary trusts
- 2. Land trusts

D. Ownership of real estate by business organizations

- 1. Sole proprietorship
- 2. Partnerships
- 3. Corporations
- 4. Limited liability companies (LLC and LLP)
- 5. Syndicates and Joint ventures

E. Common- interest ownership

- 1. Condominiums
- 2. Co-ops

3. Time-shares

V. LEGAL DESCRIPTION OF LAND

A. The importance of using a legal description and method of obtaining it.

B. Methods of describing real estate

1. Metes-and-bounds method
2. Rectangular (Government) Survey System
3. Lot-and-Block system

C. Preparing a survey and measuring elevations.

D. Land units of measurements.

E. Measuring structures. Livable, rentable, and usable area.

VI. TRANSFER OF TITLE

A. Title and title concepts.

B. Voluntary Alienation

1. Requirements for a Valid Deed
 - a. Grantor
 - b. Grantee
 - c. Consideration
 - d. Granting clause (words of conveyance)
 - Habendum Clause
 - Legal Description of Real Estate
 - Exceptions and Reservations
 - Signature of Grantor
 - Acknowledgment
 - Delivery and Acceptance
2. Execution of Corporate Deeds
3. Types of Deeds

- a. General Warranty Deed
 - b. Special Warranty Deed
 - c. Bargain and Sale Deed
 - d. Quitclaim Deed
 - e. Deed in Trust
 - f. Trustee's Deed
 - g. Reconveyance Deed
 - h. Deed Executed Pursuant to a Court Order
- 4. Transfer Tax Stamps
- C. Involuntary Alienation**
 - D. Transfer of a Deceased Person's Property**
 - 1. Transfer of Title by Will
 - 2. Transfer of Title by Descent
 - 3. Probate Proceedings

VII. TITLE RECORDS

A. Public Records

- 1. Recording
- 2. Notice
- 3. Priority
- 4. Unrecorded Documents
- 5. Chain of Title
- 6. Title Search and Abstract of Title
- 7. Marketable Title

B. Proof of Ownership

1. Certificate of Title
2. Title Insurance. Purpose, common types, coverage
3. Potential title problems and resolution

VIII. REAL ESTATE TAXES AND OTHER LIENS

A. Liens

1. Types of Liens
2. Effects of Liens on Title
3. Priority of Liens

B. Real Estate Tax Liens

1. General Real Estate Tax (Ad Valorem Tax)
2. Special Assessments (Improvement Taxes)

C. Other Liens on Real Property

1. Mortgage Liens (Deed of Trust Liens)
2. Mechanic's Liens
3. Judgments
4. Estate and Inheritance Tax Liens

5. Liens for Municipal Utilities

6. Bail Bond Lien
7. Corporation Franchise Tax lien
8. IRS Tax Lien

IX. LAND-USE CONTROLS AND PROPERTY DEVELOPMENT

A. Land Use Controls

- B. The Comprehensive Plan**
- C. Zoning**
 - 1. Zoning Ordinances
 - 2. Zoning Permits
- D. Building Codes and Certificate of Occupancy**
- E. Subdivision**
 - 1. Regulation of Land Development
 - 2. Subdivision Plans
 - 3. Subdivision Density
 - 4. Private Land-Use Controls
- F. Regulation of Land Sales**
 - 1. Interstate Land Sales Full Disclosure Act
 - 2. State Subdivided-Land Sales Laws
- G. Regulation of special land types**
 - 1. Flood zones
 - 2. Wet lands

X. REAL ESTATE BROKERAGE

A. History of Brokerage.

B. Purpose of License Laws.

C. Real Estate Brokerage

- 1. Business forms
- 2. Relationship of Broker and Salesperson
- 3. Independent contractor versus Employee
- 4. Real Estate Assistant

5. Broker and Salesperson compensation

6. Technology and Real Estate

- a. Communication in a digital age
- b. Social media
- c. Internet advertising
- d. Electronic contracting
- e. Prohibited communications

7. Antitrust Laws. Antitrust violations.

XI. AGENCY

A. History of Agency and basic agency concepts.

B. Law of Agency

- 1. General Agency law
- 2. WV specifics

C. Creation of Agency

D. Types of Agency relationships

- 1. Limitations on the Agent's authority
- 2. Disclosure of Agency
- 3. Single Agency
- 4. Dual Agency
- 5. Non-Agency relationships (transactional broker, facilitator, contract Broker).

E. Fiduciary responsibilities

- 1. Duties to the principal
- 2. Duties to all parties
- 3. Ethical conduct
- 4. Powers of attorney and other delegation authority

F. Customer- level services

1. Opinion versus fact
2. Disclosures
3. Property conditions
4. Environmental hazards
5. Stigmatized properties
6. Megan's law
7. Government disclosure requirements (LEAD)

G. Termination of Agency

1. Completion, performance, or fulfilment of the purpose
2. Death or incapacity of either party
3. Destruction or condemnation of the property
4. Expiration of the terms
5. Breach by one of the parties
6. By operation of Law
7. Agreement of the parties

H. State and Local considerations.

XII. CONTRACTS

A. Contract Law

1. Expressed and Implied Contracts
2. Bilateral and Unilateral Contracts
3. Executed and Executory Contracts
4. Essential Elements of a Valid Contract
5. Validity of Contracts
6. Rights and obligations of parties to a contract.

7. Electronic signature and paperless transactions.

B. Discharge of Contracts

1. Performance of a Contract. Time is of the essence.
2. Assignment
3. Novation
4. Breach of Contract. Statute of Limitations.
5. Termination, rescission, and cancellation of contracts

C. Contracts Used in the Real Estate Business

1. Broker's Authority to Prepare Documents
2. Listing and Buyer Agency Agreements
3. Sales Contracts
 - a. Offer
 - b. Counteroffer
 - c. Multiple offers
 - d. Acceptance
 - e. Binder
 - f. Earnest Money Deposits
 - g. Equitable Title
 - h. Destruction of Premises
 - i. Liquidated damages
 - j. Provisions of a sales contract
 - k. Contingencies
 - l. Amendments and Addendums
 - m. Disclosures
4. Option Agreements
5. Land Contracts

XIII. CLIENT REPRESENTATION AGREEMENTS

A. Representing the Seller

1. Types of listing agreements.
2. The listing process. Information needed for a listing agreement.
3. Listing presentation
4. The listing contract/ Listing agreement form, elements and provisions.
5. Termination of seller representation

B. Buyer representation

1. Types of buyer representation agreements
2. Obligations of Real Estate Broker to buyer
3. Buyer representation agreement form
4. Termination of buyer representation

C. Compensation

XIV. REAL ESTATE FINANCING

A. Economics of real estate financing

1. Mortgage law
2. Housing affordability.
 - a. Mortgage terms
 - b. Ownership expenses and ability to pay
 - c. Investment considerations
 - d. Tax deductions
3. Real Estate financing market
 - a. The Federal Reserve System
 - b. The primary mortgage market

C. The secondary mortgage market

B. Financial instruments

1. Promissory notes

- a. Term and amortization
- b. Provisions of the note: interest, usury, loan origination fee, discount points, prepayment penalty

2. Security instruments

- a. Hypothecation
- b. Mortgage
- c. Deed of Trust

3. Provisions of the mortgage document or Trust Deed

- a. Duties to the Mortgagor or Trustor
- b. Provisions for Default
- c. Assignment of the Mortgage
- d. Release of the Mortgage Lien or Deed of Trust
- e. Tax and Insurance Reserves
- f. Flood insurance reserves
- g. Buying Subject to or Assuming a Seller's Mortgage or
Deed
of Trust
- h. Alienation Clause
- j. Recording a Mortgage or Deed of Trust
- i. Priority of a Mortgage or Deed of Trust

C. Types of loans

- 1. Straight loan
- 2. Amortized loan
- 3. Adjustable- Rate Mortgage (ARM)

4. Growing- Equity Mortgages (GEMs)
5. Balloon Payment loan
6. Reverse Mortgage
7. Swing or bridge loan

D. Loan programs

1. Conventional loans
 - a. Loan amounts
 - b. Loan-to-Value ratios (LTVs)
2. Private mortgage insurance
3. FHA-insured loans
4. VA – guaranteed loans
5. Agricultural loan programs
6. Special financing (first time home buyers, owner financing, etc)

E. Other financing techniques

1. Package loan
2. Blanket loans
3. Wraparound loan
4. Open-end loan
5. Construction loan
6. Sale-and-leaseback
7. Buydown
8. Home Equity Loan

F. The lending process

1. Parties involved
 - a. Loan originator
 - b. Underwriter
2. Loan application

a. Pre-approval
b. Application form
c. Underwriting
- qualifying the buyer (credit history, credit scoring,
debt ratios, net worth, cash for closing, cash
reserves,

PITI)

- qualifying the property

3. Loan costs

- a. Interest rates and rate locks
- b. Origination fees
- c. Discount points

G. Financing legislation

- 1. Truth in Lending Act (TILA)
- 2. Real Estate Settlement Procedures Act (RESPA)
- 3. Equal Credit Opportunity Act (ECOA)
- 4. Consumer protections. CFPB/TRID rules on financing and risky
loan features. Insurance programs.

H. Foreclosure

- 1. Methods of foreclosure
- 2. Dee in lieu of foreclosure
- 3. Redemption
- 4. Deficiency judgement

I. Short Sale

XV. REAL ESTATE APPRAISAL

A. Appraising

1. Definition, purpose and use of appraisals
2. Regulation of appraisal activities (Federal & State)
3. Comparative/ Competitive Market Analysis
 - a. Selecting comparables
 - b. Adjusting comparables
4. Broker's Price Opinion (BPO)

B. The concept of value

1. Market value
 - a. Types of value
 - b. Difference between market value, market price, and cost
2. Basic principles of value
3. Effect of economic principles and property characteristics

C. The appraisal process

1. Determine the scope of work
2. Gather, verify, and analyze general and specific data
3. Apply one or more valuation methods
4. Reconcile value indicators and prepare appraisal report

D. Methods of valuation (approaches to value)

1. Sales Comparison Approach (Market Data Approach)
2. Cost Approach
3. Income Approach

E. Reconciliation

F. Uniform Residential Appraisal Report (URAR)

XVI. CLOSING THE REAL ESTATE TRANSACTION

A. Pre-closing procedures

1. Buyer's issues

- a. Final property inspection
 - b. Survey
 - c. Title evidence
- 2. Seller's issues
- 3. Real Estate professional's role at closing
- 4. Lender's interest in closing

B. Conducting the closing

- 1. Face-to-face closing
- 2. Closing in Escrow
- 3. IRS reporting requirements

C. Legislation related to closing

- 1. RESPA requirements
- 2. Affiliated business arrangements (ABA)
- 3. TILA-RESPA Integrated Disclosure Rule
 - a. Loan Estimate Form
 - b. Closing Disclosure Form
 - c. Kickbacks and referral fees
- 4. Mortgage Disclosure Improvement Act

D. Preparation of a closing statement

- 1. How the closing statement works
- 2. Closing costs

E. Prorations

- 1. General rules for prorating
- 2. The Arithmetic of prorating
- 3. Accrued items
- 4. Pre-paid items

XVII. LEASES

A. Leasing Real Estate

B. Lease Agreements

1. Requirements of a Valid Lease

- a. Offer and Acceptance
- b. Consideration
- c. Capacity to Contract
- d. Legal Objectives

2. Possession of Premises

3. Use of Premises

4. Term of Lease

5. Security Deposit

6. Improvements

7. Accessibility

8. Maintenance of Premises

9. Destruction of Premises

10. Assignment and Subleasing

11. Recording a Lease

12. Non-disturbance clause

13. Options

D. Types of Leases

1. Gross Lease

2. Net Lease

3. Percentage Lease

4. Variable lease

5. Other Types of Leases

E. Discharge of Lease

1. Breach of Lease. Actual and Constructive Eviction.
2. Pro-Tenant Legislation. Landlord-Tenant Law.

F. ADA and Fair Housing Compliance.

XVIII. PROPERTY MANAGEMENT

A. The Property Manager

1. Securing management business
2. New opportunities: community association management; housing for seniors; manufactured homes; resort housing; concierge services; asset management; corporate project management; leasing agent.
3. Professional associations

B. Management Agreement

1. The Property manager's role
2. Elements of a valid management agreement.

C. Property Manager's functions and responsibilities

1. Preparing a management plan
2. Maintaining financial reports
 - a. Operating budget
 - b. Cash flow
 - c. Income
 - d. Expenses
 - e. Profit and loss statement
 - f. Budget comparison statement
3. Renting the property
 - a. Setting rental rates

b. Marketing

c. Advertising

4. Selecting tenants. Collecting rents.
5. Maintaining good relationships with tenants
6. Maintaining the property
7. Handling Environmental concerns.

D. Federal Laws prohibiting discrimination

1. The American with Disabilities Act (ADA)
2. Equal Credit Opportunity Act
3. Fair Housing Act

E. Risk Management

1. Risk management techniques
2. Security of tenants
3. Type of insurance
4. Insurance claims.

XIX. FAIR HOUSING

A. Equal Opportunity in Housing

B. Fair Housing Act

1. Definitions and History.
2. Protected classes
3. Exemptions to the Fair Housing Act

C. Equal Credit Opportunity Act

D. Americans with Disabilities Act

E. Fair Housing Issues

1. Blockbusting
2. Steering

- 3. Advertising
- 4. Appraising
- 5. Redlining
- 6. Intent and Effect
- 7. Response to concerns of terrorism

F. Enforcement of the Fair Housing Act

- 1. State and Local Enforcement Agencies
- 2. Threats or Acts of Violence

G. Implications for Brokers and Salespeople. Consequences.

H. Professional Code of Ethics

XX. ENVIRONMENTAL ISSUES AND THE REAL ESTATE TRANSACTION

A. Environmental Issues

B. Hazardous Substances

- 1. Asbestos
- 2. Lead-Based Paint and Other Lead Hazards
- 3. Radon
- 4. Formaldehyde
- 5. Carbon Monoxide
- 6. Polychlorinated Biphenyls
- 7. Chlorofluorocarbons
- 8. Mold
- 8. Electromagnetic Fields

C. Groundwater Protection

- 1. The Safe Drinking Water Act

2. Wetlands protection

D. Underground Storage Tanks

E. Waste Disposal Sites and Brownfields

F. Environmental liability

1. Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
2. Superfund Amendments and Reauthorization Act

G. Dealing with environmental issues

1. Discovery of environmental hazards
2. Environmental site assessment
3. Environmental impact statements
4. Disclosure of environmental hazards
5. Restrictions on contaminated property

XXI. WEST VIRGINIA REAL ESTATE LICENSE ACT AND REGULATIONS

A. West Virginia Real Estate License ACT; WV Code §30-40

1. §30-40-1. Legislative findings
2. §30-40-3. License required
3. §30-40-4. Definitions
4. §30-40-5. Scope of practice; exceptions
5. §30-40-6. Commission created; membership; appointment and removal of members; qualifications; terms; organization
6. §30-40-7. General powers and duties
7. §30-40-8. Rule-making authority
8. §30-40-9. Fees; special revenue account; administrative fines.
9. §30-40-11. Application for license
10. §30-40-12. Qualifications for broker's license

11. §30-40-13. Qualifications for salesperson's license
12. §30-40-14. Prelicense education
13. §30-40-15. Licensing nonresidents
14. §30-40-16. Continuing professional education
15. §30-40-17. Place of business; branch offices; display of certificates; custody of license certificates; change of address; change of employer by a salesperson or associate broker; license certificates; term of license
16. §30-40-18. Trust fund accounts
17. §30-40-19. Refusal, suspension or revocation of a license.
18. §30-40-20. Complaints; investigation.
19. §30-40-21. Hearings; judicial review; cost of proceedings.
20. §30-40-22. Penalties for violations.
21. §30-40-23. Single act evidence of practice.
22. §30-40-24. Injunctions; criminal proceedings.
23. §30-40-25. Collection of compensation.
24. §30-40-26. Duties of licensees.
25. §30-40-27. Duration of existing licenses.

**B. WV CSR § 174-1- Requirements in Licensing Real Estate
Brokers, Associate Brokers, and
Salespersons and the Conduct of
Brokerage Business**

1. License Year and Fees.

2. Licensure; Examination Required; Application and Licensure Fees.
3. Background Checks.
4. Qualifications for Broker's License.
5. Licensing Non-Residents.
6. Renewal of License; Continuing Education Requirement; Late Fees; Failure to Renew; Cancellation.
- Section 9. License Certificates: Issuance, Cancellation and Transfer.
7. Special Provisions for Brokers.
8. Deceased or Incapacitated Responsible Broker.
9. Trade and Franchise Names.
10. Office Signs.
11. Branch Offices.
12. Trust Funds and Accounts.
13. Agency Consent and Disclosure.
14. Advertising.
15. Offer of Consumer Rebates, Inducements and Other Discounts.
16. Investigations and Complaints.
17. Licensee's Duty to Report Other Actions.

C. WV CSR § 174-2- Schedule of Fees

1. Schedule of Fees

**D. WV CSR § 174-4- Procedure for the Investigation and Resolution
of Complaints and Contested Case Hearings**

1. Causes for Denial of Licenses or Discipline of Licensees.
2. Disposition of Complaints.

3. Contested Case Hearing.
4. Subpoena Powers.
5. Conduct of Hearing.
6. Disposition.
7. Final Decision.
8. Judicial Review.
9. Application for Reinstatement.
10. Publication of Decisions.

XXII. REAL ESTATE CALCULATIONS

A. Basic Math concepts

1. Fractions, Decimals, and Percentages
2. Measurement
3. Profit and Loss
4. Taxation
5. Equity
6. Loan-to-Value Ratios
7. Discount points
8. Down payment/ amount to be financed

B. Calculations for transactions

1. Property Tax calculations
2. Prorations
3. Commission and commission splits
4. Seller's proceeds of sale
5. Buyer funds needed at closing
6. Transfer fees, conveyance tax, revenue stamps
7. PITI (Principal, Interest, Taxes, and Insurance) payment

APPENDIX 1

RESOURCE MATERIALS

The following is a **REQUIRED TEXT** for all pre-license courses:

West VIRGINIA Real Estate License Act and Legislative Rules

Charleston, WV, WVREC, 2018

A copy can be downloaded from <https://rec.wv.gov>

Suggested texts for the 90-hour salesperson pre- license course:

Modern Real Estate Practice, Dearborn, 20th edition, Galaty, Fillmore W;
Allaway, Wellington J; Kyle, Robert C.

Principles of Real Estate, Performance Programs Company,
Mettling Stephen, Cusic David

ADDITIONAL RESOURCES: (The list is not all inclusive)

Armbrust, Betty J.; Bradley, Hugh H. and Armbrust, John W. Practical Real Estate Math. Thompson South-Western.

Burgess, Russell W. Real Estate Home Inspection. Chicago: Dearborn Real Estate Education.

Cortesi, Gerald. Mastering Real Estate Principles. Chicago: Dearborn Real Estate Education.

Gaddy, Wade E., Jr. and Hart, Robert E. Real Estate Fundamentals. Chicago: Dearborn Real Estate Education.

Geschwender, Arlyne. Real Estate Principles and Practices. Thompson South-Western.
Gibson, Frank; Karp, James and Klayman, Elliot. Real Estate Law. Chicago: Dearborn Real Estate Education.

Jacobus, Charles J. Real Estate: An Introduction to the Profession. Thompson South-Western.

Jacobus, Charles J. Real Estate Law. Thompson South-Western.
Kyle, Robert C.; Baird, Floyd M. and Kyle, C. Donald. Property Management. Chicago: Dearborn Real Estate Education.

Lindeman, Bruce. Real Estate Brokerage Management. Thompson South-Western.
Palmer, Ralph. Real Estate Principles and Practices. Thompson South-Western.

Realtors® National Marketing Institute. Real Estate Office Management: People, Functions, Systems. Chicago: Author.

Reilly, John W. The Language of Real Estate. Chicago: Dearborn Real Estate Education.

Shilling, James D. Real Estate. Thompson South-Western.

Sirota, David. Essentials of Real Estate Finance. Chicago: Dearborn Real Estate Education.

Sirota, David. Essentials of Real Estate Investment. Chicago: Dearborn Real Estate Education.

Tamper, Ralph. Mastering Real Estate Math. Chicago: Dearborn Real Estate Education.

Ventolo, William L., Jr. and Williams, Martha R. Fundamentals of Real Estate Appraisal. Chicago: Dearborn Real Estate Education.

Wiedemer, John P. Real Estate Finance. Thompson South-Western.

WEBSITES:

Land description

www.fgdc.gov

www.nsps.us.com

www.usgs.gov

Title records, Contracts

www.uniformlwas.org

Brokerage and Real Estate Laws

www.arello.org

www.irs.gov

Technology in Real Estate

www.realtor.org

www.zillow.com

www.trulia.com

www.nahb.org

Prohibited Communications

www.donotcall.gov

www.fcc.gov

www.ftc.gov

www.fbi.gov/scams-and-safety

Real Estate Financing

www.annualcreditreport.com

www.hud.gov

www.consumerfinance.gov

www.fema.gov/national-flood-insurance-programs

www.federalreserve.gov

www.fdic.gov

www.occ.gov

www.ncua.gov

www.prea.org

www.fhfa.gov

www.fanniemae.com

www.freddiemac.com

www.farmermac.com

www.ginniemae.gov

www.va.gov

www.fsa.usda.gov

www.farmcreditnetwork.com

www.occ.treas.gov

www.consumerfinance.gov

Appraisal

www.appraisers.org

www.uspap.org

www.appraisalfoundation.org

www.asfmra.org

www.appraisalinstitute.org

www.iaao.org

www.irwaonline.org

www.naifa.com

Leasing

www.census.gov

www.access-board.gov

Fair Housing

www.ada.gov

www.justice.gov

Property Management

www.boma.org

www.bomi.org

www.caionline.org

www.irem.org

www.icsc.org

www.naahq.org

www.narpm.org

Land Use Controls

www.fdic.gov/regulations/laws/rules

www.ers.usda.gov

www.iccsafe.org

Environmental Issues

www.epa.gov

www.cpsc.gov