

**Education Complaints Resulting in Disciplinary Action
June 28, 2023 - September 20, 2023**

Date and File No.	Summary	Course Details	Violations	Disposition
September 20, 2023 File No. 234116	Offered one CE course after course approval expired.	8 students, distance education delivery	§535.65(a)(1)(A), failing to properly administer a course.	Agreed Order/Reprimand/\$500 Penalty



CHAPTER 535 GENERAL PROVISIONS
SUBCHAPTER F. REQUIREMENTS FOR EDUCATION PROVIDERS, COURSES AND
INSTRUCTORS FOR QUALIFYING EDUCATION

§535.65. Responsibilities and Operations of Providers of Qualifying Courses.

§535.65. Responsibilities and Operations of Providers of Qualifying Courses.

(a) Responsibility of Providers.

(1) A provider is responsible for:

(A) the administration of each course, including, but not limited to, compliance with any prescribed period of time for any required course topics required by the Act, Chapter 1102, and Commission rules;

(B) maintaining student attendance records and pre-enrollment agreements;

(C) verifying instructor qualification, performance and attendance;

(D) proper examination administration;

(E) validation of student identity acceptable to the Commission;

(F) maintaining student course completion records;

(G) ensuring all advertising complies with subsection (c) of this section;

(H) ensuring that instructors or other persons do not recruit or solicit prospective sales agents, brokers, easement or right-of-way agents, or inspectors during course presentation; and

(I) ensuring staff is reasonably available for public inquiry and assistance.

(2) A provider may not promote the sale of goods or services during the presentation of a course.

(3) A provider may remove a student and not award credit if a student does not participate in class, or disrupts the orderly conduct of a class, after being warned by the provider or the instructor.

(4) If a provider approved by the Commission does not maintain a fixed office in Texas for the duration

of the provider's approval to offer courses, the provider shall designate a resident of this state as attorney-in-fact to accept service of process and act as custodian of any records in Texas that the provider is required to maintain by this section. A power-of-attorney designating the resident must be filed with the Commission in a form acceptable to the Commission.

(b) Use of Qualified Instructor.

(1) Except as provided by this subsection, a provider must use an instructor that is currently qualified under §535.63 of this subchapter (relating to Qualifications for Instructors of Qualifying Courses) to teach the specified course.

(2) Each instructor shall be selected on the basis of expertise in the subject area of instruction and ability as an instructor.

(3) A provider shall require specialized training or work experience for instructors teaching specialized subjects such as law, appraisal, investments, taxation or home inspection.

(4) An instructor shall teach a course in substantially the same manner represented to the Commission in the instructor's manual or other documents filed with the application for course approval.

(5) A provider may use the services of a guest instructor who does not meet the instructor qualifications under §535.63 of this subchapter for qualifying real estate, easement or right-of-way, or inspector courses provided that person instructs for no more than 10% of the total course time.

(c) Advertising.

(1) The following practices are prohibited:

(A) using any advertising which does not clearly and conspicuously contain the provider's name on the first page or screen of the advertising;

(B) representing that the provider's program is the only vehicle by which a person may satisfy educational requirements;

(C) conveying a false impression of the provider's size, superiority, importance, location, equipment or facilities, except that a provider may use objective information published by the Commission regarding pass rates if the provider also displays next to the passage rate in a readily noticeable fashion:

(i) A hyperlink to the Commission website's Education Provider Exam Passage Rate page labeled "TREC Provider Exam Pass Rates" for digital media; or

(ii) A URL to the Commission website's Education Provider Exam Passage Rate page labeled "TREC Provider Exam Pass Rates" for non-digital media;

(D) promoting the provider directly or indirectly as a job placement agency, unless the provider is participating in a program recognized by federal, state, or local government and is providing job placement services to the extent the services are required by the program;

(E) making any statement which is misleading, likely to deceive the public, or which in any manner tends to create a misleading impression;

(F) advertising a course under a course name other than the course name approved by the Commission; or

(G) advertising using a name that implies the course provider is the Texas Real Estate Commission, including use of the acronym "TREC", in all or part of the course provider's name.

(2) Any written advertisement by a provider that includes a fee that the provider charges for a course must display any additional fees that the provider charges for the course in the same place in the advertisement and with the same degree of prominence.

(3) The provider shall advertise a course for the full clock hours of time for which credit is awarded.

(4) The provider is responsible for and subject to sanctions for any violation of this subsection by any

affiliate or other third party marketer or web hosting site associated with or used by the provider.

(d) Pre-enrollment agreements for approved providers.

(1) Prior to a student enrolling in a course, a provider approved by the Commission shall provide the student with a pre-enrollment agreement that includes all of the following information:

(A) the tuition for the course;

(B) an itemized list of any fees charged by the provider for supplies, materials, or books needed in course work;

(C) the provider's policy regarding the refund of tuition and other fees, including a statement addressing refund policy when a student is dismissed or withdraws voluntarily;

(D) the attendance requirements;

(E) the acceptable makeup procedures, including any applicable time limits and any fees that may be charged for makeup sessions;

(F) the procedure and fees, if applicable, associated with exam proctoring;

(G) the procedure and fees for taking any permitted makeup final examination or any permitted re-examination, including any applicable time limits; and

(H) the notices regarding potential ineligibility for a license based on criminal history required by §53.152, Texas Occupations Code.

(2) A pre-enrollment agreement must be signed by a representative of the provider and the student prior to commencement of the course.

(e) Refund of fees by approved provider.

(1) A provider shall establish written policies governing refunds and contingency plans in the event of course cancellation.

(2) If a provider approved by the Commission cancels a course, the provider shall:

(A) fully refund all fees collected from students within a reasonable time; or

(B) at the student's option, credit the student for another course.

(3) The provider shall inform the Commission when a student requests a refund because of a withdrawal due to the student's dissatisfaction with the quality of the course.

(4) If a provider fails to give the notice required by subsection (d)(1)(H) of this section, and an individual's application for a license is denied by the Commission because the individual has been convicted of a criminal offense, the provider shall reimburse the individual the amounts required by §53.153, Texas Occupations Code.

(f) Course materials.

(1) Before the course starts, a provider shall give each student copies of or, if a student has online access, provide online access to any materials to be used for the course.

(2) A provider shall update course materials to ensure that current and accurate information is provided to students as provided for under §535.62 of this subchapter (relating to Approval of Qualifying Courses).

(g) Presentation of courses.

(1) Classroom Delivery.

(A) The location for the course must:

(i) be conducive to instruction, such as a classroom, training room, conference room, or assembly hall that is separate and apart from work areas;

(ii) be adequate for the class size;

(iii) pose no threat to the health or safety of students; and

(iv) allow the instructor to see and hear each student and the students to see and hear the instructor, including when offered through the use of technology.

(B) The provider must:

(i) check the photo identification of each student at class sign up and when signing in for each subsequent meeting of the class;

(ii) ensure the student is present for the course for the hours of time for which credit is awarded;

(iii) provide a 10 minute break per hour at least every two hours; and

(iv) not have daily course segments that exceed 12 hours.

(C) If the course is a qualifying or non-elective continuing education course delivered through the use of technology and there are more than 20 students registered for the course, the provider will also use:

(i) a monitor at the broadcast origination site to verify identification of each student, monitor active participation of each student and facilitate questions for the instructor; and

(ii) a proctor at each remote site with more than 20 students to verify identification of each student, monitor active participation of each student and proctor any on-site examination.

(D) Makeup Session for Classroom Courses.

(i) A provider may permit a student who attends at least two-thirds of an originally scheduled qualifying course to complete a makeup session to satisfy attendance requirements.

(ii) A member of the provider's staff must approve the makeup procedure to be followed. Acceptable makeup procedures are:

(I) attendance in corresponding class sessions in a subsequent offering of the same course; or

(II) the supervised presentation by audio or video recording of the class sessions actually missed.

(iii) A student shall complete all class makeup sessions no later than the 90th day after the date of the completion of the original course.

(iv) A student who attends less than two-thirds of the originally scheduled qualifying course is not eligible to complete a makeup session. The student shall automatically be dropped from the course with no credit.

(2) Distance Education Delivery. The provider must ensure that:

(A) the student taking all topics of the course and completing all quizzes and exercises is the student receiving credit for the course through a student identity verification process acceptable to the Commission;

(B) a qualified instructor is available to answer students' questions or provide assistance as necessary in a timely manner;

(C) a student has completed all instructional modules and attended any hours of live instruction required for a given course; and

(D) a qualified instructor is responsible for providing answers and rationale for the grading of the course work.

(3) A provider is not required to present topics in the order outlined for a course on the corresponding course approval form.

(4) The periods of time prescribed to each unit of a topic for a qualifying course as outlined on the corresponding course approval form are recommendations and may be altered to allow instructors flexibility to meet the particular needs of their students.

(5) Notwithstanding subsections (3) - (4) of this section, all units must be presented within the prescribed topic.

(h) Course examinations.

(1) The final examination given at the end of each course must be given in the manner submitted to and approved by the Commission. All final examinations must be closed book.

(2) Final examination questions must be kept confidential and be significantly different from any quiz questions and exercises used in the course.

(3) A provider shall not permit a student to view or take a final examination before the completion of regular course work and any makeup sessions required by this section.

(4) A provider must rotate all versions of the examination required by §535.62(b)(7) of this subchapter throughout the approval period for a course in a manner acceptable to the Commission and examinations must:

(A) require an unweighted passing score of 70%; and

(B) be proctored by a member of the provider faculty or staff, or third party proctor acceptable to the Commission, who:

(i) is present at the test site or able to monitor the student through the use of technology acceptable to the Commission; and

(ii) has positively identified that the student taking the examination is the student registered for and who took the course.

(5) The following are examples of acceptable third party proctors:

(A) employees at official testing or learning/tutoring centers;

(B) librarians at a school, university, or public library;

(C) college or university administrators, faculty, or academic advisors;

(D) clergy who are affiliated with a specific temple, synagogue, mosque, or church; and

(E) educational officers of a military installation or correctional facility.

(6) A provider may not give credit to a student who fails a final examination and a subsequent final examination as provided for in subsection (i) of this section.

(i) Subsequent final course examination.

(1) If a student fails a final course examination, a provider may permit the student to take a subsequent final examination only after the student has completed any additional course work prescribed by the provider.

(2) A student shall complete the subsequent final examination no later than the 90th day after the date the original class concludes. The subsequent final examination must be a different version of the original final examination given to the student and must comply with §535.62(b)(8) of this subchapter and subsection (h) of this section.

(3) If a student fails to timely complete the subsequent final examination as required by this subsection, the student shall be automatically dropped from the course with no credit.

(4) A student who fails the final course examination a second time is required to retake the course and the final course examination.

(j) Course completion certificate.

(1) Upon successful completion of a qualifying course, a provider shall issue a course completion certificate. The course completion certificate shall include:

(A) the provider's name and approval number;

(B) the instructor's name;

(C) the course title;

(D) course numbers;

(E) the number of classroom credit hours;

(F) the course delivery method;

(G) the dates the student began and completed the course; and

(H) the printed name and signature of an official of the provider on record with the Commission.

(2) A provider may withhold any official completion documentation required by this subsection from a student until the student has fulfilled all financial obligations to the provider.

(3) A provider shall maintain adequate security against forgery for official completion documentation required by this subsection.

(k) Instructor and course evaluations.

(1) A provider shall provide each student enrolled in a course with an instructor and course evaluation form or provide a link to an online version of the form that a student can complete and submit any time after course completion.

(2) An instructor may not be present when a student is completing the evaluation form and may not be involved in any manner with the evaluation process.

(3) When evaluating an instructor or course, a provider shall use all of the questions from the evaluation form approved by the Commission, in the same order as listed on that form. A provider may add additional questions to the end of the Commission evaluation questions or request the students to also complete the provider's evaluation form.

(4) A provider shall maintain any comments made by the provider's management relevant to instructor or course evaluations with the provider's records.

(5) At the Commission's request, a provider shall produce instructor and course evaluation forms for inspection by Commission staff.

(l) Maintenance of records for a provider of qualifying courses.

(1) A provider shall maintain records of each student enrolled in a course for a minimum of four years following completion of the course, including course and instructor evaluations and student enrollment agreements.

(2) A provider shall maintain financial records sufficient to reflect at any time the financial condition of the school.

(3) A school's financial statement and balance sheets must be available for audit by Commission staff, and the Commission may require presentation of financial statements or other financial records.

(4) All records may be maintained electronically but must be in a common format that is legible and easily printed or viewed without additional manipulation or special software.

(m) Changes in ownership or operation of an approved provider of qualifying courses.

(1) An approved provider shall obtain the approval of the Commission at least 30 days in advance of any material change in the operations of the provider by submitting the Qualifying Education Provider Supplement Application, including but not limited to changes in:

(A) operations or records management; and

(B) the location of the main office and any other locations where courses are offered.

(2) An approved provider requesting approval of a change in ownership shall provide all of the following information or documents to the Commission:

(A) an Education Provider Application reflecting all required information for each owner and the required fee;

(B) a Principal Information Form for each proposed new owner who holds at least 10% interest in the school;

(C) financial documents to satisfy standards imposed by §535.61 of this subchapter (relating to Approval of Providers of Qualifying Courses), including a \$20,000 surety bond for the proposed new owner; and

(D) business documentation reflecting the change.

Attached is the committee's proposal for revisions to the Texas Real Estate Principles Course.

Please note the following:

1. It is in the best interest of consumers and the public in general to have good, organized education for aspiring licensees.
2. It is organized so that chapters can build on prior chapters as a “building blocks” approach to present the materials. The more complicated topics are near the end of the materials to reinforce the topics discussed in the earlier chapters.
3. We suggest changing the format to a 60 hour required course before taking more advanced or specialized real estate courses:
 - a. The students need to know the basics first, and create building blocks for future courses.
 - b. It creates a solid prerequisite for more advanced studies.
 - c. It provides basic guidance to the student for specialization courses.
4. We suggest restricting the requirements for math:
 - a. The subject is very simple for a principles level course.
 - b. It is not heavily tested on the licensing exam.
 - c. There are very good math courses approved by TREC if the student needs them.
5. We changed the “specialization” discussion to include it in the initial chapter under the topic of “Real Estate – A Business of Many Opportunities.” The chapter explains how many diverse topics are involved in real estate business.
6. Notwithstanding the suggested chapter organization, we suggest revising the regulation to make it clear that the topics could be presented in any order the instructor chooses, so long as all required topics are covered.

Why a prerequisite?

Gives an overview of all the topics, helping students know what to expect in the rest of the QE courses

Gives guidance for specialization in the beginning of the student's learning process

Better flow of information using building blocks for concepts and key terms

Allows more detailed instruction for Law of Agency, Law of Contracts, Real Estate Finance, and Perforated Contract Forms (the advanced courses)

Ultimately better service to the public because of better-prepared students

Real Estate Principles

Introduction to Modern Real Estate Practice

Licensing as a broker and salesperson

Suggested Length of Unit

Real Estate – A Business of Many Opportunities	25 minutes
TREC Education Standards Advisory Committee	15 minutes
The Real Estate Market – Characteristics of Real Estate	20 minutes
Real Estate Law	40 minutes
SUBTOTAL	100 minutes

Real Property

Distinctions between personal & real property

Land, Real Estate and Real Property	30 minutes
Personal Property	30 minutes
SUBTOTAL	60 minutes

Interests in Real Estate

Deeds, encumbrances and liens

Historical Background	30 minutes
Estates in Land	30 minutes
Encumbrances	30 minutes
Tax Liens	20 minutes
Liens other than Taxes	25 minutes
Water Rights	20 minutes
Residence as a Homestead	50 minutes
SUBTOTAL	205 minutes

Legal Description

Legal Descriptions

Methods of Describing Real Estate in Texas	65 minutes
Surveying	35 minutes
SUBTOTAL	100 minutes

How Home Ownership is Held and Real Estate Business Ownership issues

Titles to and conveyance of Real Estate; finance and regulation

Forms of Ownership	20 minutes
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Real Estate Principles

Business and Home	20 minutes
Co-Ownership	15 minutes
Trusts	15 minutes
Investing in Real Estate	25 minutes
The Investment	20 minutes
The Benefits	20 minutes
Real Estate Investment Syndicates	15 minutes
Real Estate Investment Trusts	15 minutes
Real Estate Mortgage Investment Conduits	15 minutes
SUBTOTAL	180 minutes

Real Estate Contracts

Contracts	30 minutes
Elements of a Contract	30 minutes
Breach of a Contract	30 minutes
Real Estate Contracts for Sale	50 minutes
TREC Forms	75 minutes
SUBTOTAL	215 minutes

Estates, Transfers and Titles

Titles & Conveyance of real estate; deed, encumbrances and liens

Deeds	20 minutes
Title	15 minutes
Public Records, Recording & Acknowledgment	25 minutes
Evidence of Title	45 minutes
Acquisitions & Transfers	20 minutes
Estate ownership	20 minutes
Transfer of Decedent's Property	25 minutes
Voluntary Alienation	20 minutes
Involuntary Alienation	20 minutes
SUBTOTAL	210 minutes

Real Estate Principles

Mortgages and Promissory Notes

Deed of Trust	90 minutes
Real Estate Lien Note	85 minutes
FIRPTA Affidavit	55 minutes
SUBTOTAL	230 minutes

Closing Procedures/Closing the Real Estate Transaction

Closing Procedures

Pre-Closing Procedures/Closing the Transaction	50 minutes
Conducting the Closing	45 minutes
RESPA/Uniform Settlement Statement	40 minutes
Preparation of Closing Statements	65 minutes
SUBTOTAL	200 minutes

Real Estate Math

Key Terms/Overview

Calculators	15 minutes
Fractions, and Percentages	15 minutes
SUBTOTAL	30 minutes

Real Estate Financing Principles

Finance & regulations

Sources of Real Estate Financing	50 minutes
Mortgage Market	30 minutes
Application for Credit	30 minutes
Payment Plans	30 minutes
Conventional, FHA & VA Loans	30 minutes
Texas Loan Programs	25 minutes
Govt. Influence in Mortgage Lending	25 minutes
Other Financing Techniques	40 minutes
Financing Legislation	15 minutes
SUBTOTAL	275 minutes

Real Estate Principles

Real Estate Appraisal

Appraisal

Requirements to Become an Appraiser	40 minutes
Key Appraisal Terms	25 minutes
Appraising & The Appraisal Process	60 minutes
Value	20 minutes
Three Approaches to Value	30 minutes
Pricing a Property	45 minutes
SUBTOTAL	220 minutes

Leases

Leasehold Estates	25 minutes
Leasing Real Estate	20 minutes
Common Lease Provisions	20 minutes
Texas Landlord & Tenant Statutes	45 minutes
Types of Leases	20 minutes
SUBTOTAL	130 minutes

Control of Land Use

Finance & regulations

Land-Use Controls	60 minutes
Public Ownership	25 minutes
Environmental Protection Legislation	25 minutes
SUBTOTAL	110 minutes

Texas Real Estate License Act

Licensing as a broker or salesperson

Basic Provisions of the Texas Real Estate License Act	30 minutes
Subchapter A – General Provisions	120 minutes
Subchapter B – Texas Real Estate Commission	
Subchapter C – Admin & Other TREC Personnel	
Subchapter D – Commission Powers & Duties	
Subchapter E – Public Interest/Complaint Procedures	

Real Estate Principles

Subchapter F – Broker Lawyer Committee	
Subchapter G – Accreditation & Approval of R.E. Education & Courses of Study	
Subchapter H – License Requirements	
Subchapter I – Examinations	
Subchapter J – License Renewal	
Subchapter K – Certificate Requirements	
Subchapter L – Practice by a License Holder	
Subchapter M – Real Estate Recovery Trust Account	
Subchapter N – Prohibited Practices & Disciplinary Proceedings	
Subchapter O – Administrative Penalties	
Subchapter P – Other Penalties & Enforcement Provisions/Consumer Advocacy	
Subchapter Q – General Provisions Relating to Liability Issues	
Professional Organizations	20 minutes
Real Estate – The Business of Value	30 minutes
The Purpose of Licensing Laws – What a Licensee Can and Cannot Do	30 minutes
The Texas Real Estate Commission & Licensing Requirements	20 minutes
	SUBTOTAL 280 minutes

Real Estate Brokerage and Law of Agency

The Law of Agency	30 minutes
Agency Positions and Disclosure	25 minutes
Brokerage & Nature of the Brokerage Business	60 minutes
Fiduciary Duties	30 minutes
Texas Deceptive Trade Practices – Consumer Protection Act	50 minutes
	SUBTOTAL 195 minutes

Fair Housing Laws

Federal, State & Local Fair Housing Laws

Equal Opportunity in Housing	50 minutes
Texas Fair Housing Laws	30 minutes
Housing Discrimination	30 minutes

Real Estate Principles

Housing Credit Discrimination	30 minutes
Community Reinvestment	30 minutes
SUBTOTAL 170 minutes	

Property Management

Licensing as a broker or salesperson; Ethics of practice as a license holder

Property Management	50 minutes
Management Considerations	40 minutes
The Management Profession	30 minutes
SUBTOTAL 120 minutes	

TOTAL MINUTES: 3,000

Principles of Real Estate I-Qualifying Real Estate Approval Form

			FOR REUSE ONLY		
			included	Not included	Comments
Legal Descriptions					
<i>Legal Descriptions</i>					
Describing Land/Legal Descriptions	45	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Methods of Describing Real Estate in Texas	20	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Legal Description	20	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Surveying	15	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
SUBTOTAL	100				
Real Estate Contracts					
<i>Titles to and conveyance of Real Estate</i>					
Contracts	30	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Contracts Used in the Real Estate Business	45	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Elements of a Contract	30	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Breach of Contract	30	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
SUBTOTAL	135				
Interest in Real Estate					
<i>Deeds, encumbrances and liens</i>					
Historical Background	30	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Estates in Land	30	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Encumbrances	30	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Tax Liens	20	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Liens other than Taxes	25	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Water Rights	20	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Residence as a Homestead	25	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
SUBTOTAL	180				
How Home Ownership is Held					
<i>Titles to and conveyance of Real Estate</i>					
Forms of Ownership	20	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Co-Ownership	15	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Trusts	15	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Ownership of Real Estate by Business	20	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
SUBTOTAL	70				
Listing Agreement (REPI)					
<i>Ethics of Practice as a license holder</i>					
Listing Property	45	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Property Disclosures and Notices	45	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Types of Listings	30	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
SUBTOTAL	120				

TOTAL MINUTES 1500

Principles of Real Estate II-Qualifying Real Estate Approval Form

FOR TRBO USE ONLY
AGENDA ITEM 8

Control of Land Use

Finance & regulations

Suggested Length of Unit(min.) On Page #

included	Not included	Comments
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Land-Use Controls **40** _____

Public Ownership **25** _____

Interstate Land Sales Full Disclosure Act **25** _____

Environmental Protection Legislation **25** _____

SUBTOTAL 115

Specializations

Licensing as a broker or salesperson

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Leases _____

Property Management _____

Resort _____

Investment _____

Land _____

Farm/Ranch _____

REO _____

Short Sale _____

Auction _____

Foreclosure _____

Residential _____

Commercial _____

Competency policy/scope of authority _____

SUBTOTAL 50

Real Estate Investments

Titles to and conveyance of real estate; finance and regulation

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Investing in Real Estate **25** _____

The Investment **20** _____

The Benefits **20** _____

Real Estate Investment Syndicates **15** _____

Real Estate Investment Trusts **15** _____

Real Estate Mortgage Investment Conduits **15** _____

SUBTOTAL 110

Leases

Titles to and conveyance of real estate

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Leasing Real Estate **20** _____

Leasehold Estates **20** _____

Common Lease Provisions **20** _____

Landlord & Tenant Act **15** _____

Types of Leases **20** _____

SUBTOTAL 95

Sec. 1101.003. QUALIFYING REAL ESTATE COURSES. (a) For purposes of this chapter, "qualifying real estate courses" include:

- (1) agency law, which includes the following topics:
 - (A) the relationship between a principal and an agent;
 - (B) an agent's authority;
 - (C) the termination of an agent's authority;
 - (D) an agent's duties, including fiduciary duties;
 - (E) employment law;
 - (F) deceptive trade practices;
 - (G) listing or buying representation procedures; and
 - (H) the disclosure of agency;
- (2) contract law, which includes the following topics:
 - (A) elements of a contract;
 - (B) offer and acceptance;
 - (C) statute of frauds;
 - (D) remedies for breach, including specific performance;
 - (E) unauthorized practice of law;
 - (F) commission rules relating to use of adopted forms; and
 - (G) owner disclosure requirements;
- (3) principles of real estate, which includes:
 - (A) an overview of:
 - (i) licensing as a broker or sales agent;
 - (ii) ethics of practice as a license holder;
 - (iii) titles to and conveyance of real estate;
 - (iv) legal descriptions;
 - (v) deeds, encumbrances, and liens;
 - (vi) distinctions between personal and real property;
 - (vii) appraisal;
 - (viii) finance and regulations;
 - (ix) closing procedures; and
 - (x) real estate mathematics; and
 - (B) at least three class hours of instruction on federal, state, and local laws relating to housing discrimination, housing credit discrimination, and community reinvestment;
- (4) property management, which includes the following topics:
 - (A) the role of a property manager;

- (B) landlord policies;
 - (C) operational guidelines;
 - (D) leases;
 - (E) lease negotiations;
 - (F) tenant relations;
 - (G) maintenance;
 - (H) reports;
 - (I) habitability laws; and
 - (J) the Fair Housing Act (42 U.S.C. Section 3601 et seq.);
- (5) real estate appraisal, which includes the following topics:
- (A) the central purposes and functions of an appraisal;
 - (B) social and economic determinants of the value of real estate;
 - (C) appraisal case studies;
 - (D) cost, market data, and income approaches to value estimates of real estate;
 - (E) final correlations; and
 - (F) reporting;
- (6) real estate brokerage, which includes the following topics:
- (A) agency law;
 - (B) planning and organization;
 - (C) operational policies and procedures;
 - (D) recruitment, selection, and training of personnel;
 - (E) records and control; and
 - (F) real estate firm analysis and expansion criteria;
- (7) real estate finance, which includes the following topics:
- (A) monetary systems;
 - (B) primary and secondary money markets;
 - (C) sources of mortgage loans;
 - (D) federal government programs;
 - (E) loan applications, processes, and procedures;
 - (F) closing costs;
 - (G) alternative financial instruments;
 - (H) equal credit opportunity laws;
 - (I) community reinvestment laws, including the Community Reinvestment Act of 1977 (12 U.S.C. Section 2901 et seq.); and

(J) state housing agencies, including the Texas Department of Housing and Community Affairs;

(8) real estate investment, which includes the following topics:

- (A) real estate investment characteristics;
- (B) techniques of investment analysis;
- (C) the time value of money;
- (D) discounted and nondiscounted investment criteria;
- (E) leverage;
- (F) tax shelters depreciation; and
- (G) applications to property tax;

(9) real estate law, which includes the following topics:

- (A) legal concepts of real estate;
- (B) land description;
- (C) real property rights and estates in land;
- (D) contracts;
- (E) conveyances;
- (F) encumbrances;
- (G) foreclosures;
- (H) recording procedures; and
- (I) evidence of titles;

(10) real estate marketing, which includes the following topics:

- (A) real estate professionalism and ethics;
- (B) characteristics of successful sales agents;
- (C) time management;
- (D) psychology of marketing;
- (E) listing procedures;
- (F) advertising;
- (G) negotiating and closing;
- (H) financing; and
- (I) Subchapter [E](#), Chapter [17](#), Business & Commerce Code;

and

(11) real estate mathematics, which includes the following topics:

(A) basic arithmetic skills and review of mathematical logic;

(B) percentages;

(C) interest;

(D) the time value of money;

(E) depreciation;

(F) amortization;

(G) proration; and

(H) estimation of closing statements.

(b) The commission may designate a course as an equivalent of a course listed in Subsection (a).

(c) The commission by rule may prescribe:

(1) the content of the qualifying real estate courses listed in Subsection (a); and

(2) the title and content of additional qualifying real estate courses.

(d) A daily course segment for a qualifying course may not exceed 12 hours.

(e) An applicant, license holder, or education provider may not report to the commission the completion of an alternative delivery or correspondence course offered as a qualifying course until the elapsed time between the time the applicant or license holder registers for the course and the time the completion of the course is reported exceeds twice the number of hours for which credit is claimed.

Added by Acts 2001, 77th Leg., ch. 1421, Sec. 2, eff. June 1, 2003.

Amended by Acts 2003, 78th Leg., ch. 1276, Sec. 14A.152(a), eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1158 (S.B. [699](#)), Sec. 3, eff. January 1, 2016.

Acts 2015, 84th Leg., R.S., Ch. 1158 (S.B. [699](#)), Sec. 4, eff. January 1, 2016.