

Texas Real Estate Commission P.O. Box 12188 Austin, TX 78711-2188 512-936-3000

QUALIFYING REAL ESTATE COURSE APPROVAL FORM REAL ESTATE MATH (30 hour course)

of Course	*			***************************************		
e of Text or Workbook and Author						
	Suggested		FOR TREC USE ONLY			
Length of Course 30 hours	Length of Unit(min.)	On Page #	Not included included	Comments		
troduction to Real Estate Math						
isic arithmetic skills; review of mathematical logic						
How Math is Used in Real Estate	15					
Review of Basic Math Skills	15					
Math Language Addition, Subtraction, Multiplication and Divis Indicators	ion 10					
Units of Measure Linear, Square, Cubic, Circular and Surveyor's	25 Measure					
Basic Formulas Calculating Area, Volume and Part, Total or Ra (Percent)	25 ate					
Pre-Assessment Test and Interactive Review	60					
S	UBTOTAL 150					
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Calculator Basics Converting Fractions to Decimals Percentages Converting Decimals to Percentages Converting Percentages to Decimals Adding Decimals Subtracting Decimals Multiplying Decimals Dividing Decimals	10 10 10 10 10 10 10 10					
Calculator Basics Converting Fractions to Decimals Percentages Converting Decimals to Percentages Converting Percentages to Decimals Adding Decimals Subtracting Decimals Multiplying Decimals Dividing Decimals Percentage Problems	10 10 10 10 10 10 10					

eal Estate Math - Qualifying Real Estate Approval Fo	FOR TREC USE ONLY			
List Price, Sales Price and Net Price Basic arithmetic skills; review of mathematical logic	Suggested Length of Unit(min.) On Page #	Not included include	ed Comments	
Net Price	10			
Rate (Percentage) of Profit	10			
Rate (Percentage) of Loss	10			
Scenario Based Learning Exercise	20			
SUBTOTAL	50			
<u>Property Mathematics</u> Basic arithmetic skills; review of mathematical logic				
Legal Descriptions	15			
Rectangular Survey System	15			
Metes-and-Bounds Descriptions	15			
Calculating Square Footage	15			
Linear	15			
Area	15			
Volume or Cubic	15			
Scenario Based Learning Exercise	15			
SUBTOTAL	120			
Appreciation& Depreciation Depreciation, time value of money				
Appreciation versus Depreciation	10 10			
Uses of Depreciation				
Depreciation in Accounting - Bookkeeping Function	10			
Straight-Line Method	10			
Exercise(s)	20			
SUBTOTAL	60			
Real Estate Taxes Time Value of Money; prorations				
Tax Based on Assessed Value	15			
Taxes Given in Mills	10			
Taxes Using an Equalization Factor	10			
Roll Back Taxes	10			
Penalties for Delinquent Taxes	10			
Exemptions	15			
Proration of Taxes	15			
Proration Exercise	15			
SUBTOTAL	100			
Mathematics of Real Estate Finance Interest; amortization (Each Unit Must Include an Example & Exercise)				
Simple Interest	25			
Compound Interest	25			
Loan-to-Value Ratio	25			
Amortized Loans	25			
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Mathematics of Real Estate Finance (cont'd) Interest; amortization	Suggested Length of Unit (min.)	On Page #	included	Not included	Comments	
Loan Payment Factors	25					
Mortgage Insurance Premiums	25 _					
FHA Mortgage Insurance Premiums (MIPs)	25 -					
VA Funding Fees	25			40000000		
Private Mortgage Insurance (PMI) Premiums	25					
Loan Commitment and Origination Fees	30		П	<u> </u>		
Loan Discount Points	25					
Buyer's Loan Qualification Ratios	30					
Calculation of Loan Amounts and Down Payments	30					
Mortgage Loans - Overview	30 _					
Amortization Calculations	30 .					
SUBTOTAL	400					
Appraisal Methods Depreciation; time value of money						
Opinion of Value	25					
Sales Comparison Approach	25					
Cost Approach	25					
Income Capitalization Approach	25					
SUBTOTAL	100					
Closing Statements Estimation of Closing Statements; prorations						
Federally Required Closing Forms Closing Disclosure Forms and Settlement Statement	60					
Credits	25		Г			
Entry of Figures	20					
Prorating Insurance	15					
Prorating Interest on Loans	15					
Reconciliation	15					
	30					
Scenario Based Learning Exercise			Jan	<u> </u>		
SUBTOTAL	180					
Investment Analysis Time Value of Money; prorations						
Real Estate as an Investment	15 _					
Capitalization Rates	15					
Market Extraction of Data	15					
Cost Basis Analysis	10					
Cash-on-Cash Return	10					
Discounted Cash Flows	10					
1031 Tax Deferred Exchanges	15		Г			
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SUBTOTAL	90					

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Real Estate Math - Qualifying Real Estate Approval Form FOR TREC USE ONLY Suggested Length of Unit (min.) On Page # Not <u>Commercial Lease Calculations</u> <u>Percentages; prorations</u> included included Comments 10 Rent per Square Feet Γ 15 Percentage Rent Lease 15 Index (Variable) Lease Calculations 15 **Prorating Rent** Γ **Prorating Maintenance Fees** 15 30 Exercise(s) 100 **SUBTOTAL TOTAL MINUTES** 1500

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