

Saddleback College Business Science Division Course Syllabus RE 174 Legal Aspects of Real Estate via INTERNET

Orientation is required. You will find the location, date, and time listed in the course information in the current semester's class schedule. This is the only in-person meeting we'll have. There is also an online orientation at: www.saddleback.edu/faculty/mwelc

You must also complete the Real Estate Department's Online checklist located here: <http://www.saddleback.edu/faculty/mwelc/onlineorientationwelc.htm>.

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Course Description

A study of California real estate law, including rights incident to property ownership and management, agency, and contracts. Also includes application to real estate transfer, conveyance, probate proceedings, trust deeds, and foreclosures, as well as recent legislation governing estate transactions. Applies toward state's elective educational requirements for the 18-month completion of the Real Estate Salesperson License. Applies toward state's core educational requirements for the broker's examination. Applies toward Department of Real Estate (DRE) basic education.

Course Objectives

1. Define real property ownership in California.
2. Identify and define real estate terminology and law functions utilized in the legal aspects of California Real Estate.
3. Identify forms and documents and their use in the real estate field.
4. Discuss and analyze basic real estate law for the real estate broker's license exam.
5. Discuss the role that law plays in society
6. Explain the origins of the U.S. legal system in English common law, and describe the Spanish influence on California laws
7. Contrast criminal law with civil law Name the three major subject areas of civil law
8. Distinguish the standards of proof for criminal and civil cases
9. Identify the primary sources of law at the federal, state, and local government levels
10. Define state action and explain the constitutional significance of the concept
11. Outline the basic legislative process
12. Describe how judges can make law based on previous court cases
13. Discuss the role of administrative agencies in creating and enforcing laws
14. Describe forms of alternative dispute resolution and distinguish between mediation and arbitration
15. Summarize how jurisdiction is determined, both with respect to location and subject matter

16. Describe the sequence of events in a typical lawsuit
17. Identify the common remedies available to a plaintiff in litigation
18. List the methods for learning about the opposing party's case during the discovery process
19. Distinguish between compensatory and punitive damages
20. Discuss the appeals process and the issues considered by an appellate court
21. Define real property and identify its legal components in addition to land
22. Explain how real property interests can be compared to a bundle of rights
23. Contrast the legal status of naturally occurring plants versus cultivated plants
24. Apply the statutory fixture tests
25. Identify the common law tests that may also be applied to determine whether an item is a fixture
26. Summarize the fixture rules that apply in special circumstances (such as trade fixtures or mobile homes)
27. Give examples of appurtenances to real property
28. Compare and contrast the riparian rights system and the appropriative rights system
29. Explain how the rights to extract mineral resources, including oil and gas, are determined
30. Classify an estate in real property as either a freehold or leasehold estate
31. Identify the characteristics of the different types of estates
32. Name the estate that is the highest and most complete form of real property ownership
33. Contrast the two types of defeasible fees, the fee simple determinable and the fee simple subject to condition subsequent
34. Summarize the rights and duties of the life tenant in a life estate
35. Discuss the consequences that follow termination of a life estate
36. List and define the four generally recognized types of leasehold estates
37. Distinguish between vested and contingent future interests in property
38. Identify the default form of property co-ownership
39. Explain how tenants in common share responsibility for expenses and improvements
40. Name the four unities required for a joint tenancy to exist
41. Define the right of survivorship in the context of a joint tenancy
42. Give an example of how joint tenants may sever the joint tenancy
43. Contrast the treatment of domestic partners and unmarried cohabitants under community property law
44. Discuss how property owned by a married couple is classified as either separate property or community property
45. Describe how separate property can become community property
46. Explain the importance of the joinder requirement for real property transactions
47. Discuss the structure of business entities such as general or limited partnerships, corporations, and limited liability companies
48. Understand the considerations involved in choosing the form of a business entity

49. Give examples of agency relationships in real estate transactions
50. Define dual agency and explain the potential confusion it can create
51. Discuss the nature and scope of an agent's authority and how it is determined
52. Explain the legal doctrine of estoppel, and how it relates to ostensible agency authority
53. Summarize the liability issues involved in an agency relationship
54. List the methods of creating an agency relationship
55. Describe the factors considered when assessing intent to create an agency relationship
56. Compare and contrast agency termination by mutual agreement and unilateral termination
57. Identify the events that will terminate an agency by operation of law
58. Discuss the effect of an agency termination on third parties
59. Explain how agency disclosure requirements apply to real estate agency relationships
60. Define fiduciary and describe the fiduciary relationship
61. Discuss the duties an agent owes to the principal
62. Give an example of a breach of fiduciary duty
63. Identify the general duties a real estate agent owes to all parties
64. Contrast actual fraud and constructive fraud
65. Explain the duty to disclose material facts, including latent defects
66. Discuss when an agent's duty to inspect property applies and what that duty requires
67. Give examples of activities that require a real estate license
68. List exemptions to the real estate license requirements
69. Summarize the regulations related to the use of fictitious business names
70. Explain the coverage and duration of recordkeeping requirements for real estate brokers
71. Describe the way in which a real estate licensee must handle trust funds
72. Identify common trust fund violations
73. Discuss the relationship between a broker and affiliated salespersons
74. Explain how compensation of a salesperson must be handled
75. Name some of the potential grounds for disciplinary action
76. Describe the disciplinary process followed when there is a violation of the license law
77. Name the four possible legal classifications of a contract's status
78. List the four elements required for a valid contract
79. Describe the process of offer and acceptance
80. Explain the requirements of the statute of frauds as they apply to real estate contracts
81. Discuss the ways in which an existing contract can be modified
82. Describe the result of a breach of contract and the possible remedies
83. Identify the basic types of listing agreements and the basic requirements for a valid listing agreement
84. Discuss buyer representation agreements and their provisions for broker compensation

85. Explain the disclosure requirements associated with real property sales transactions
86. Contrast an option contract with a right of first refusal
87. Describe the rights and responsibilities of the parties to a land contract and the remedies available to them
88. Identify the requirements for a valid deed
89. Explain what signatures are needed on a deed and how business entities sign deeds
90. Compare the two most common types of deeds used in California
91. Define after-acquired title and describe when it applies
92. Explain the principles governing the transfer of property after death under a will
93. Discuss the use of trusts and community property agreements as alternatives to wills
94. Describe how property is disposed of in the absence of a will
95. Give examples of court actions that can result in the involuntarily transfer of title to real property
96. Contrast voluntary, statutory, and implied dedication
97. Identify the purpose of a legal description and name the major types
98. Summarize how the boundaries are described in a metes and bounds description
99. Describe how a township is identified in a government survey description
100. Define ranchos and explain their significance in California
101. Discuss problems that may arise with a land description and how they can be handled
102. Describe the purpose of and procedures for recording documents
103. Compare and contrast actual and constructive notice
104. Explain the rules of priority that apply to recorded interests in real property
105. Define escrow and its role in real estate transactions
106. List the requirements for a valid escrow
107. Discuss the agency relationship an escrow agent has with the buyer and seller
108. Summarize the Escrow Law's licensing, recordkeeping, and financial responsibility requirements
109. Describe the typical contents of escrow instructions
110. Explain how ownership of deposits is determined during the escrow period
111. Identify tax-related requirements that affect the escrow process
112. Discuss the Real Estate Settlement Procedures Act and its impact on closing
113. Explain the purpose of title insurance and how policies are structured
114. Distinguish between standard coverage, extended coverage, lender's coverage, and home owner's coverage title insurance policies
115. Define the concept of a financial encumbrance, or lien
116. Contrast a promissory note with a security instrument
117. Distinguish a mortgage from a deed of trust and identify the parties to each instrument
118. Name key provisions in a loan agreement
119. Describe the judicial foreclosure process and options available to the

- mortgagor
120. Explain the circumstances under which a deficiency judgment would be available
 121. Discuss nonjudicial foreclosure and how it relates to deeds of trust
 122. List common predatory lending practices
 123. Summarize consumer protection provisions in the Truth in Lending Act and other laws
 124. Summarize the requirements for creating, foreclosing, and terminating a mechanic's lien
 125. Contrast mechanic's liens and design liens
 126. Describe the procedures for creating and terminating attachment liens and judgment liens
 127. Identify property that may be affected by an attachment lien or judgment lien
 128. Explain the assessment of property taxes
 129. Define when a property is considered to be in tax-default
 130. Describe how the priority of multiple liens is determined
 131. Discuss foreclosure protections available under the homestead law
 132. Identify the fundamental rights that accompany real property ownership
 133. Discuss trespass and remedies available to landowners
 134. Define premises liability and how it relates to trespassers
 135. Distinguish between a public and private nuisance
 136. Discuss remedies for an encroachment, and the factors a court may consider when choosing a remedy
 137. List the requirements for adverse possession
 138. Contrast a claim of right with color of title
 139. Describe the methods by which easements are created and terminated
 140. Identify common conflicts that arise between neighbors and ways to handle them
 141. Discuss the types of common interest developments, and contrast their features with standard subdivisions
 142. Describe the ownership structure of a cooperative and explain how it differs from other common interest developments
 143. Identify the statutes that affect the subdivision and sale of real property in California
 144. Explain the process for obtaining approval of a subdivision map
 145. Describe the disclosures required in a subdivision public report
 146. Summarize the requirements for a homeowners association and describe how an association operates
 147. Understand the ways private land use restrictions can be created
 148. Compare and contrast covenants and conditions, and their legal consequences
 149. Identify the requirements for creating a private restriction that run with the land
 150. Describe the ways property owners can enforce private restrictions
 151. Give examples of circumstances under which a restriction would terminate
 152. Discuss the constitutional basis for public restrictions imposed by the government

153. Summarize the goals and functions of comprehensive planning
154. Explain the significance of building codes as a public restriction on land use
155. Explain the historical background of the development of environmental laws
156. Name the federal agency created to address problems caused by pollution
157. Summarize the issues considered in an environmental impact statement
158. Compare and contrast the coverage of the federal and California Endangered Species Acts
159. Identify responsible parties for cleanup costs under CERCLA
160. Explain the available defenses to strict liability under CERCLA and how to assert them
161. Identify federal antidiscrimination laws that affect real estate transactions
162. Give an example of an exemption from the Federal Fair Housing Act
163. Explain redlining, steering, and blockbusting, and why they are illegal practices
164. Discuss the legal requirements for providing equal access to disabled persons
165. Compare the protections under federal and state antidiscrimination laws
166. Describe the application of the Unruh Civil Rights Act to business establishments
167. Summarize the relationship between antidiscrimination laws and the real estate license law and regulations
168. List the types of leasehold estates
169. Describe the contract issues involved in a typical lease agreement
170. Discuss disclosures a landlord must make
171. Explain the restrictions that apply to tenant security deposits
172. Compare the responsibilities of the landlord and tenant regarding care of the premises
173. Define constructive eviction and discuss the remedies available
174. Distinguish assignment from subleasing
175. Summarize the ways a tenancy can be terminated
176. Explain the history and purpose of antitrust law
177. Discuss key concepts, including conspiracy, group action, and unreasonable restraint on trade
178. Identify the real estate practices that are most likely to be considered antitrust violations
179. Distinguish illegal price fixing from the legal discussion of a commission split
180. Describe the forms that illegal market allocation might take
181. Summarize the steps a broker should take to prevent possible antitrust violations

Student Resources

Required: *California Real Estate Law*; Henry, Reiner, Gotanda, Dorsey; and the “Student Guide” (key code). Rockwell Publishing.

Optional:

Recommended: *Plain Language Dictionary of Real Estate*; Cox, Cox, & Silver-Westrick. Available in the bookstore. The telephone number for the Saddleback College Bookstore is 949/582-4715.

Due Dates: All online course work (challenge exercises and final exam) must be completed online by 11:59 pm of the last day of the course as listed in the class schedule. You do NOT need to click on the "submit" button in the online course to receive credit. Please refer to Saddleback's Schedule for the last official day of the course: to get to this information, go to www.saddleback.edu then click on class schedules (located in the left column). Then find the term you registered for (pay attention to whether the class you registered for is a 16 week class or a first 8 week class or a second 8 week class). On the next page click on "Real Estate." From there, find the class you registered for (verify the ticket number on your registration (the paper you got from the registrar when you registered at the beginning of the semester) matches the ticket number on this screen so that you get the information for the right class. From there, click "Details." This will take you to the page with information regarding the first and last days of the course. The required essay may be submitted by email to mwelc@saddleback.edu, bschermerhorn@saddleback.edu, sgeller@saddleback.edu. The essay is due no later than 11:59 pm of the last day of the course as listed in the class schedule. To obtain a completed course verification form, follow these instructions exactly: 1. Complete ALL work for the course. 2. Deliver to Professor in person or send by postal mail your essay *together with* the course verification form *and* a self-addressed stamped envelope. Course Requirements and Grading: You must attend the scheduled in-person Orientation. You will be responsible for the information provided at the Orientation. If you absolutely cannot attend the scheduled live Orientation, you may send a friend or relative to obtain the Orientation information and materials for you or watch and listen to the online orientation. You must review and complete the real estate department's distance education online checklist: (Please note: this checklist is located here: <http://www.saddleback.edu/faculty/mwelc/onlineorientationwelc.htm>)

Complete the required reading, that is, the textbook chapters and online material. Complete the self-assessments, activities, reviews, exercises, case studies, quizzes, etc., in the text and online. All of these will help clarify your understanding of the concepts and calculations, reinforce learning, and enhance mastery. Complete all challenge exercises and the final exam online. Write a 500-word Essay

About the Online Course:

Note: We do not use Blackboard for this course! We use ROCKWELL.

Getting Started: To access your course you will need a User ID and Password. Log onto www.rockwelleducation.com/cc and enter the key code (found on the cardboard backing of the student guide) and course information in the corresponding fields and selecting the appropriate roster. After click the "Submit" button you will be assigned a User ID and Password. Save this information as it will allow you to log into your account and begin your course. You are allowed as many

hours as you need for completing the course.

More How-To:

You will need the textbook, the online access code, and a user name and password. The information for setting up the access to the online course is included with the Student Guide and online access code. Follow those instructions carefully. You cannot enter the online course without this information!

Remember, you will need the textbook, the online access code (called a keycode), and a user name and password. The information for setting up the access to the online course is included with the Student Guide and online access code. Follow those instructions carefully. You cannot enter the online course without this information! NOTE: You cannot share the keycode with another learner. The keycode is tied to your work in the course, so sharing will not work. ANOTHER NOTE: You need a different keycode for each Rockwell course you take. If you are taking four classes that use the Rockwell system, you will need four different, separate keycodes.

To use the online course, after you have received your password, go to www.rockwelleducation.com and log on by entering your User ID and password. The Pre-test does not count toward your grade. It will be used to help you judge your starting knowledge ... and it will help us monitor the effectiveness of the online course. Please complete the Pre-test as soon as you access the online course.

Recommendation: Work through the course by reading a chapter of the text and doing the exercises. Then do the chapter work online. This will reinforce your learning. Do not try to read the whole book and then start the online work. You will forget what you read early in the book and you won't have the benefit of the reinforcement.

If you experience any difficulties during the registration process, please contact Rockwell at 1-800-221-9347.

And ... Get started right away. Work in small chunks. Take breaks. Do not procrastinate. And if you need help, send me email: mwelc@saddleback.edu, bschermerhorn@saddleback.edu, sgeller@saddleback.edu

About the Final:

You have two hours to take the Final. The online system will give you five hours, but your professor allows you only two hours. Your professor can see all your work and time spent. The Final has 100 multiple choice questions. Also, please complete the Final exam in *one sitting*, just as you would in a live class. This does not mean you cannot take a break for a few minutes. You may exit the Final if you wish to take a break. The system will remember your answers and you can pick up where you left off. The system will allow you three attempts on the Final. **ONLY THE FIRST ATTEMPT COUNTS TOWARD YOUR GRADE!**

About the Essay

The essay should be between 500 and 600 words. This is about a page and a half. No particular format is required. Please write your essay on one of the following topics:
1. Demonstrate your knowledge of real estate terminology and law functions.

2. Demonstrate your knowledge of concepts or procedures related to real property ownership in California.
3. Write an essay demonstrating your knowledge of the different types of forms and documents and their use in the real estate field.
4. Write an essay demonstrating your knowledge of concepts and procedures related to basic real estate law for the real estate sales and broker license exam.

The essay may be submitted by email to mwelc@saddleback.edu, bschermerhorn@saddleback.edu, sgeller@saddleback.edu. The essay is due no later than 11:59pm of the last day of the course as listed in the class schedule.

Grade Computation

Your grade will be based on your, quizzes and Final Exam scores, and your essay. The Progress Test ("midterm") does NOT count toward your grade. You must take and complete the midterm to be able to advance with your course work in the class. Your grade will be computed according to the percentage correct/possible of all questions and the essay. The Final exam is 75 percent of your grade. The challenge exercises are worth 20 percent of your grade. The essay is worth 5 percent of your grade.

GRADE WEIGHTING

First Final Exam Attempt 75% Average quiz score 20% Essay 5% Total 100%

GRADE COMPUTATION

90-100% = A 80-89%= B 70-79%= C 60-69%= D < 59%= F

IMPORTANT GRADE INFORMATION

The Family Rights and Privacy Act of 1974 restricts the release of certain student information such as grades. Therefore, please do not call for grade information. Your performance score/grade will be mailed to you if you provide your instructor with a self-addressed, stamped envelope or postcard at the Final Exams, or you may go to <http://www.socccd.org/grades>.

If you decide to drop this course, *you* must go to the Office of Admissions and Records in the Student Services Building.

If you fail to officially drop and do not complete the course, you will receive an "F" on your permanent record. *This is a College rule. Your instructor cannot change it.*

Disability Accommodations

If you have specific disabilities and require accommodations, please let me know early in the semester, so that your learning needs may be appropriately met. You will need to provide documentation of your disability to the Special Services Office in Student Services Center, Room 113.

Students with disabilities, including non-visible disabilities such as chronic diseases, learning disabilities, head injury and attention deficit disorder, are encouraged to contact the instructor to discuss appropriate accommodations that might be helpful to them.

Students with disabilities who may need academic accommodations should discuss options with their professors during the first two weeks of class.

Any student with a documented disability needing academic adjustments or accommodations is requested to speak with the instructor. All discussions are and will remain confidential.