

Contracts and Regulations

48 Classroom Hours

Approved by the Colorado Real Estate Commission
June 6, 1996 (updated 07/03/06)

COURSE OBJECTIVE: To protect the public by having students prepare and understand Colorado Real Estate Commission approved contracts and understand Colorado real estate regulations.

<u>MAJOR TOPICS TO BE COVERED:</u>	<u>HOURS</u>
I. Regulations	8
II. Colorado Statutory Relationships	4
III. Brokerage Relationship Agreements	16 *
IV. Sales Contracts and Related Forms	16 *
V. Other Considerations in Real Estate Contracting	4
<u>TOTAL</u>	48.0

Testing is required to establish individual's satisfactory completion of the statutory requirements

* Approximate hours; together must total 32 hours

I. Regulations (8 Hours)

A. Colorado real estate license law

1. Statutes (Title 12 Article 10, Parts 1-8 CRS)
2. Commission rules
3. Commission interpretations and positions on the license law

B. Review of Colorado Contract Law

1. The Conway-Bogue decision
2. Colorado Bar Association v. The Title Guaranty Company
3. Authority to complete forms 12-10-403(4), C.R.S.
4. Statute of Frauds
5. Uniform Power of Attorney Act
6. Electronic duplication

C. Subdividing, conversions and time sharing

D. Colorado Fair Housing Act

E. Appraiser Licensing Act

F. Colorado Common Interest Ownership Act.

II. Colorado Statutory Relationships (4 Hours)

A. Definitions (12-10-402, C.R.S.)

B. Relationships Between Real Estate Brokers and the Public; Commission Authorized to Approve Forms (12-10-403, C.R.S.)

C. Single Agent Engaged By Seller or Landlord; Sub-agency (12-10-404, C.R.S.)

D. Single Agent Engaged By Buyer or Tenant (12-10-405, C.R.S.)

E. Dual Agency (12-10-406, C.R.S.)

F. Transaction-Broker (12-10-407, C.R.S.)

G. Required Broker Disclosures (12-10-408, C.R.S.)

H. Duration of Relationship (12-10-409, C.R.S.)

I. Compensation (12-10-410, C.R.S.)

J. Violations (12-10-411, C.R.S.)

K. Commission Approved Forms

III. Brokerage Relationship Agreements (16 Hours)

[Explain in detail the content and preparation of Commission approved forms]

A. Listing and Buyer Brokerage Contracts. (Agency and Transaction-Broker)

1. Exclusive Right-to-Sell Listing Contracts

2. Exclusive Agency Listing Contracts

3. Open Listing Contracts

4. Exclusive Right-to-Buy Contracts

5. Exclusive Right-to-Lease Listing Contracts

6. Exclusive Tenant Contracts

B. Related forms

1. The In-Company Transaction

a. Change of Status

- b. Transaction-Broker Addendum

- 2. Seller's Property Disclosure

- a. Energy Rated Homes of Colorado

- 1. Background

- 2. Defining ERHC

- 3. Benefits of the system

- 3. Agreement to Amend/Extend Contract with Broker

Note: Students must complete a minimum of one of each of the 6 families of listing and buyer brokerage contracts, and include by comparison the differences between residential, commercial and farm and ranch/vacant land form. In addition, students must complete one of each type of the related forms. (May be assigned as homework)

- C. Brokerage Relationship Disclosure Documents

- 1. Definitions of Working Relationships

- 2. Brokerage Disclosure to Buyer

- 3. Brokerage Disclosure to Seller (FSBO)

- 4. Change of Status

- 5. Brokerage Disclosure to Seller (REO and Non-CREC approved listings)

IV. Sales Contracts and Related Forms (16 Hours)

(Explain in detail the content and preparation of Commission approved forms)

- A. Contracts to Buy and Sell Real Estate

- 1. Contract to Buy and Sell Real Estate (Residential)

- 2. Non-residential contracts

- a. Contract to Buy and Sell Real Estate (Commercial)

- b. Contract to Buy and Sell Real Estate (Vacant Land/Farm & Ranch)

- c. Common Interest Community Addendum to the Contract to Buy and Sell

- 3. Exchange

- a. Contract to Exchange Real Estate (Simultaneous Exchange)

- b. Addendum to Contract to Buy and Sell

B. Related forms

1. Counterproposal

2. Agreement to Amend/Extend Contract

3. Licensee's Buyout Addendum

4. Inspection Notice

Note: Students must complete a minimum of one of each of the 4 families of sales contracts and complete one of each of the related forms. Include examples of new financing, loan assumption, and owner carry financing. (May be assigned as homework)

V. Other Considerations in Real Estate Contracting (4 Hours)

A. Promissory Notes

B. Liens and Encumbrances

1. Deeds of Trust

2. Foreclosure

3. General Property Taxes

4. Special Districts

5. Other liens

C. Errors and Omission Insurance

D. Land Descriptions(Surveys and Improvement Location Certificates)

E. Water Rights

F. Financing

1. Equity Skimming

2. U.C.C.C.

3. Standards of Mortgage Servicing

4. Loan Fraud

G. Landlord Tenant Act (38-12-101 et seq. CRS)

TOTAL HOURS 48

Testing is required to establish individual's satisfactory completion of statutory requirement.

