

# STRANDS AND STANDARDS

## REAL ESTATE



### Course Description

Students will be introduced to real estate basics that include the scope of the real estate business, usage of land, land description, ownership, contracts, deeds, mortgages, title search and closes, liens, financing sources, the appraisal process, investments in real estate, and the sales and marketing process. Students will broach real estate marketing and sales through ethics, human, employee, and customer relations, use of product knowledge, and the use of advertising and the media. Exposure to real estate terminology, forms, and contracts is an integral part of this class.

<b>Intended Grade Level</b>	10-12
Units of Credit	0.5
Core Code	37.01.00.00.220
Concurrent Enrollment Core Code	N/A
Prerequisite	None
Skill Certification Test Number	411
Test Weight	0.5
<b>License Type</b>	CTE and/or Secondary Education 6-12
<b>Required Endorsement(s)</b>	
Endorsement 1	Business and Marketing (CTE/General)
Endorsement 2	Business and Marketing Core
Endorsement 3	N/A

## STRAND 1

**Students will understand the economics of the real estate industry.**

### Standard 1

Determine the scope of the real estate industry.

- Understand the economic characteristics of land (scarcity, location, improvements).
- Discuss how the health of the real estate market affects the economy.
- Compare and contrast the variety of supporting employment opportunities including real estate agents and brokers, lenders, title insurance, appraisers, and construction personnel.
- Identify the impact on banking, home improvement, and retail industries.
- Understand the advantages/disadvantages of home ownership (equity, tax benefits, bundle of rights).
- Define the concept of equity as it applies to real property.

### Standard 2

Determine forces influencing the market for land.

- Understand the concept of supply and demand.
- Know how employment has an impact on the market for land.
- Interpret government regulations and their impact.
- Examine the value of water and water rights.
- Analyze the ways land is appraised.

### Performance Skills

Evaluate local real estate values and the effect of the economy on those values.

## STRAND 2

**Students will understand the geography of the real estate industry.**

### Standard 1

Develop an understanding of the nature and characteristics of land.

- Define and understand the definition of real property.
- Understand the physical characteristics of land (indestructibility, uniqueness, immobility).

### Standard 2

Understand the many uses of land.

- Understand the concept of highest and best use.
- Identify a variety of land use options (single-family residence, multi-family residences, condominiums, commercial, recreational, planned-unit development).
- Evaluate trends in the local area involving land use and determine how these trends affect the student and their community.

**Standard 3**

Determine the importance of identifying land and legal descriptions.

- Understand the purpose and usage of a legal description.
- Identify the four frequently used approaches to describing property: metes and bounds, informal reference (address), recorded plat, and assessor's parcel number.
- Identify the Great Salt Lake Base and Meridian.
- Write a description of property and be able to draw it.
- Know number of square feet in an acre (43,560).

**Workplace Skills**

Students will connect their knowledge with current workplace skills including:

- Critical thinking
- Problem solving
- Legal requirements

**STRAND 3**

**Students will understand property rights and the fundamentals of ownership.**

**Standard 1**

Develop an awareness of the different types of property ownership.

- Understand the concept of bundle of rights.
- Identify the difference between fee-simple title, leasehold estate and a life estate.
- Explain the different types of property ownership; joint tenants vs. tenants in common.
- Understand the difference in water rights (riparian, littoral, appropriative, irrigation).

**Standard 2**

Develop an understanding of various types of contracts and the important part they play in real estate.

- Define contract.
- Understand the essential elements necessary for a contract to be a legal/valid document.
  - Offer
  - Acceptance
  - Legal Purpose
  - Consideration
  - In Writing
- Distinguish between void, voidable, and breach, in relationship to contracts.
- Review each section of a state-approved Utah Real Estate Purchase Contract.

**Standard 3**

Develop an understanding of deeds and the part they play in real estate.

- Define deed.

- Determine the items necessary to make a deed valid.
- Identify the uses and different types of deeds: Warranty Deed, Special Warranty Deed, Quit Claim Deed, and Trustee's Deed (along with adverse possession and eminent domain).

### Performance Skills

Identify the necessary elements of a legal contract.

### Workplace Skills

Students will connect their knowledge with current workplace skills including:

- Critical thinking
- Problem solving
- Communication
- Legal Requirements

## STRAND 4

**Students will understand the methods purchasing, marketing and financing real estate.**

### Standard 1

Students will understand the method and process of buying and selling real property.

- Determine factors that make a home marketable for purchase and future resale (kitchen, location, lot size, bedrooms, etc.).
- Be aware of the different types of insurances affiliated with real estate (title, homeowners, earthquake, flood, private mortgage insurance and credit-life insurance).
- Understand the ethical duties of agents and customers during a transaction (disclosure).

### Standard 2

Develop an understanding of mortgages and methods of financing real estate investments.

- Understand the various sources of funds for home mortgages (banks, credit union and mortgage brokers).
- Identify the different types of mortgage offerings (Conventional, FHA, VA).
- Calculate interest, PITI, LTV, commission and qualifying loan ratios.

### Standard 3

Develop an understanding of short-term and long-term costs of financing.

- Interpret amortization schedules and total interest rate cost over the life of a loan.
- Understand the concept of private mortgage insurance.
- Identify closing costs involved in a transaction.
- Recognize how credit worthiness affects total loan costs (4 C's).

**Standard 4**

Create an advertising promotional tool to promote a specific property.

- Utilize and understand AIDA (attention, interest, desire, action) in the creation of this product.
- Analyze buying motives when purchasing a home (rational, emotional, patronage).

**Performance Skills**

- Calculate qualification for a loan.
- Determine pros and cons of two or more financing methods.
- Know how to evaluate the possible need and benefit of three real estate insurance products.
- Create an advertising promotional tool to promote a specific property.

**Workplace Skills**

Students will connect their knowledge with current workplace skills including:

- Critical thinking
- Problem solving
- Computational thinking
- Accountability

**Skill Certificate Test Points by Strand**

Test Name	Test #	Number of Test Points by Strand										Total Points	Total Questions
		1	2	3	4	5	6	7	8	9	10		
Real Estate	411	13	8	11	18							50	48