



Commercial Trading Services

MANAGING BROKER APPLIED PRACTICE COURSE TOOLKIT

component three



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION

ACKNOWLEDGEMENT AND DISCLAIMER

The government has made some significant changes to the Real Estate Services Act, and the Rules. These changes have been made to enhance to protection available to consumers. Based on the recommendations of the Independent Advisory Group Report and government announcements there may be further changes. Licensees are strongly recommended to keep current on all changes by regularly visiting the Real Estate Council of BC's website at: www.recbc.ca for up to date licensee resources or by consulting either your managing broker or the Real Estate Council of BC's Professional Standard Advisor at: advisor@recbc.ca.

The Real Estate Council of BC and the BC Real Estate Association gratefully acknowledge the assistance of the UBC Sauder School of Business, Real Estate Division in the preparation of these materials and for the permission to use materials from the *Real Estate Trading Services Licensing Course Manual*, UBC Sauder School of Business, Real Estate Division. Copyright to those materials is retained by UBC Sauder School of Business, Real Estate Division. References in the materials to Chapters of the *Real Estate Trading Services Licensing Course's Manual* are references to the manual published by the UBC Sauder School of Business, Real Estate Division.

These materials are current as of June 15, 2018. Any subsequent changes to the law, whether legislation, case law, OSRE rules or otherwise, will not be reflected in these materials. As a licensee, you have a professional obligation to stay current with developments in the law as it may apply to your services. These materials are for education purposes, and do not constitute legal or other professional advice. If you have legal questions, you should obtain legal advice. You must exercise your own professional judgment about whether the materials are currently correct or apply to your particular situation.

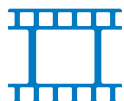
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COMPONENT THREE INTRODUCTION

What is Component Three All About?

Watch the following video.



[Video: APC Component Three Introduction](#)

Welcome to Component Three of the *Commercial Applied Practice Course*. In the first two components you had an opportunity to review and develop skills related to the core concepts of agency, disclosure and contracts. Now that you are licensed, you have an opportunity to apply the knowledge and skills that you acquired in a real life context at your brokerage.

This is an independent study section of the course. There is no instructor assigned to you. As you progress through the practical field assignments, you are encouraged to consult with your managing broker and experienced licensees in your brokerage, and to reference resources such as the PSM, the Licensing Course manual and the materials from Components One and Two of this course. You also have the ability to interact with your fellow students via the online discussion forum.

You must complete:

1. All of the field assignments in the order that you prefer.
2. The reflection questions presented at the end of each assignment.
3. A final assignment.

There are six practical field assignments:

1. Listing a Property for Sale – Representing a Seller
2. Establishing Agency and Providing Trading Services to or on behalf of a Buyer
3. Showing a Property – Your Agency Responsibilities
4. Researching Properties
5. Drafting an Enforceable Contract of Purchase and Sale or an Offer to Lease to either a client or an unrepresented party.
6. Presenting an Offer and Negotiating a Counter-Offer

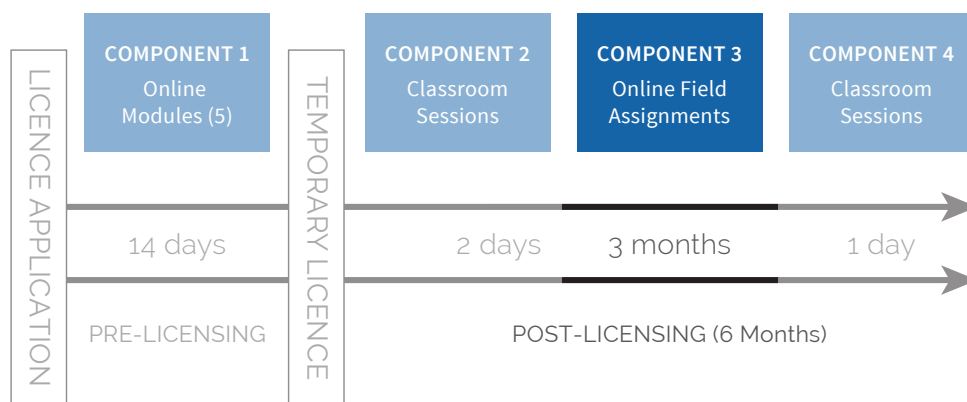
For each of these assignments, you will find a **description** of the assignment, **instructions** on how to complete it, and **resources** that can support your completion of it. At the end of the assignment, you will be asked to reflect on your learning and respond to the reflection questions. These questions are intended to assist you in self-assessing your progress and learning within this component of the course. While an instructor will be ensuring that you complete the reflection questions, he/she will not be evaluating your responses. Instructions on how to complete the questions are provided within the assignments.

A peer-to-peer discussion forum is available throughout this component of the course. You are encouraged to post questions and continue the conversations that you began in the first two components of this course. This is a place for you and your peers to learn with and from each other. An instructor will not be facilitating this discussion forum.

You have approximately **4.5 months** to complete the practical field assignments and submit your final assignment. As the assignments take time to complete and require you to reflect on your learning, you are strongly encouraged to pace the assignments throughout the 4.5 months. Component Three ends on **October 14, 2018**.

If throughout this component you are experiencing technical difficulties, contact UBC at support@realestate.ubc.ca. If you have questions related to the assignment instructions and/or criteria, contact BCREA at apc@bcrea.bc.ca. Your managing brokers and the experienced licensees in your brokerage will be the most valuable resources for you so be sure to consult with them as you progress throughout this component.

After you complete Component Three, you will join us for Component Four, the final capstone face-to-face day-long session.





ASSIGNMENT

Listing a Property for Sale— Representing a Seller

In this assignment you will be required to prepare a listing presentation for a potential seller client. You will be required to research a property, use the appropriate forms necessary to obtain the listing (such as [Disclosure of Representation in Trading Services form](#), FINTRAC identification, a listing contract, list of services, comparable listings). You will also prepare responses to possible questions and determine your business model and be able to explain it so you are fully prepared to meet with your potential client and obtain the listing.

This assignment, Listing a Property for Sale – Representing a Seller, is divided into three different steps. The first step asks you to prepare for a listing appointment, the second step has you conduct a listing appointment and in the third step, you will accurately describe the property listed to licensees and potential buyers. This assignment has you working with a seller.

At the end of each step, you will be asked to answer a series of **reflection questions**. There are no 'right' answers to the reflection questions.

LEARNING OUTCOMES

Consult the following learning outcomes to ensure that you fully complete the assignment. You may consider this a checklist of the requirements for the completion of the assignment.

By the end of this assignment, you will be able to:

- ♦ provide trading services to or on behalf of a seller while fulfilling the duties of a seller's agent,
- ♦ provide the seller with accurate, relevant and current information regarding the sale of their property,
- ♦ accurately assess the value of the property,
- ♦ comply with FINTRAC requirements,
- ♦ present the unique value of their individual service,
- ♦ design a listing presentation that features a licensee's unique qualifications and effectiveness, and
- ♦ acquire accurate information about a property.

Step 1: *Preparing for a Listing Appointment*

In preparation for the listing appointment, put together a listing presentation that reflects the research you did on the property and the use of appropriate and / or required documentation. Ensure you prepare responses to possible questions and an explanation of your services and business model so you are fully equipped to meet with your potential client and obtain the listing.

Step 1 of this assignment focuses on the development of your competency in the areas listed below. As you advance through this step, monitor your progress and comment on it in the reflection questions that appear at the end of each step of this assignment.

Competencies

- Prepares for the listing appointment
- Prepares a presentation in advance of a listing appointment

Sub-competencies

- Researches the property
- Prepares the listing presentation
- Identifies appropriate technology

Instructions

In order to prepare for the listing appointment, the learner:

- ♦ Research the property by reviewing statistics, preparing a current CMA and obtaining a title search.
- ♦ Review the title search for the property, including legal ownership of the property and charges.
- ♦ Determine zoning and other aspects of the property.
- ♦ Obtain documentation for the property.
- ♦ Prepare a presentation for potential clients.
- ♦ In addition to the material researched on the property, include:
 - a copy of the Disclosure of Representation in Trading Services form,
 - [the listing contract](#),
 - Commercial Data Input form or comparable, and
 - consult your managing broker on Schedule "A", listing the services of your brokerage. Include any other unique contributions to the presentation.
- ♦ Prepare a response to the question: "Why would I list with you and not another licensee?"
- ♦ Prepare a description of your business model and anticipated commission.
- ♦ Determine the style of presentation (iPad, hard copy, etc.).

Supporting Resources

- ♦ Disclosure of Representation in Trading Services form
- ♦ FINTRAC - Individual Identification Information Record
- ♦ FINTRAC - Corporation/Entity Identification Information Record
- ♦ The Comparative Market Analysis [RETS Manual Chapter 22, 1-14]
- ♦ How To Do a CMA
- ♦ Why would I list with you?
- ♦ Handout – Competition Law Questions

Reflection Questions

Reflect on your learning by responding to the following questions.

1. In this assignment, you were asked to prepare a response to the question "why would I list with you?" Summarize how you responded to that question? In your summary, identify at least two characteristics that differentiate you from other licensees.
2. Of all of the resources provided to you through this assignment and by your Managing Broker, what are three resources that you will continue to use and integrate into your practice as a licensee? Explain why you chose these three resources.
3. How did you explain your duties to your client? Write a paragraph outlining the key duties you detailed to your client.

Step 2: *Conducting* a Listing Presentation for a Property—Representing a Seller

In step 2 of this assignment, you will meet with a client to discuss your role as an agent for the seller, the duties required of you and the services that you will provide to a client.

With your client, you will discuss:

- ♦ property details including material patent and latent defects pertaining to the property, and
- ♦ a communications plan between you and the seller(s).

In addition, you will:

- ♦ prepare a Competitive Market Analysis (CMA), and
- ♦ obtain property measurements.

LEARNING OUTCOMES

Consult the following learning outcomes to ensure that you fully complete step 2. You may consider this a checklist of the requirements for the completion of this step. By the end of step 2, you will be able to:

- ♦ describe agency relationships to the seller,
- ♦ record accurate information about the property, and
- ♦ communicate effectively with client(s).

Step 2 of this assignment focuses on the development of your competency in the areas listed below. As you advance through this step, monitor your progress and comment on it in the reflection questions that appear at the end of each step in this assignment.

Competencies

- ♦ Understands statutory requirements of creating an agency relationship with a client and listing a property.
- ♦ Presents the listing presentation.
- ♦ Conducts the listing appointment.

Sub-competencies

- ♦ Applies law of agency.
- ♦ Evaluates agency relationships.
- ♦ Presents information on the benefits of listing.
- ♦ Works with seller to establish price.
- ♦ Implements skills to build trust.
- ♦ Determines the seller's motivation and goals.
- ♦ Completes the documentation of the listing.

Instructions

To conduct a listing presentation, you will:

- ♦ Discuss the two agency relationships with a consumer, the potential risks of a no agency relationship, and any potential conflicts that may arise and how they will be handled.
- ♦ Present information about your brokerage, yourself and the property.
- ♦ Discuss patent and latent material defects.
- ♦ Prepare to complete the Data Input/Comparable form based on accurate information about the property.
- ♦ Measure the property accurately.
- ♦ Devise a communication plan with the seller to keep them informed.
- ♦ Explain recent sales history in the area (CMA).
- ♦ If a new property, ask the seller to provide a copy of the warranty.
- ♦ Have seller sign a Listing Contract (MLS®).
- ♦ Discuss and Complete FINTRAC Individual Identification Information Record and FINTRAC Corporation/Entity Identification Information Record forms.

Supporting Resources

For additional resources, speak to your managing broker. Consider asking him/her to share with you:

- ♦ [Disclosure of Representation in Trading Services form](#), and [Listing Contract \(MLS®\)](#)
- ♦ FINTRAC - Individual Identification Information Record
- ♦ FINTRAC - Corporation/Entity Identification Information Record
- ♦ [What REALTORS® Need to Know about Grow Ops and Drug Labs](#)

When appropriate, also practice your listing presentation in front of your Managing Broker and/or other trusted licensee for feedback.

Reflection Questions

Reflect on your learning by responding to the following questions.

1. In the presentation of you and your brokerage services, identify three areas that you highlighted? Why did you choose these three areas to highlight?
2. Name one thing that you were not expecting when you made your listing presentation. Was it something about the listing or property itself? Provide at least one paragraph explaining the unexpected occurrence.
3. What patent defects did you notice upon review of the property? Were there any material latent defects that needed to be disclosed? If so, how did you document the disclosure?

Step 3: Accurately Describe the Property to Licensees and Potential Buyers – Representing the Seller

In the final step of this assignment, you will complete all necessary documentation to secure and list a property for sale.

LEARNING OUTCOMES

Consult the following learning outcomes to ensure that you fully complete step 3 of this assignment. You may consider this a checklist of the requirements for the completion of this step. By the end of step 3, you will be able to:

- ♦ list a property for sale

Step 3 focuses on the development of your competency in the areas listed below. As you advance through this step, monitor your progress and comment on it in the reflection questions that appear at the end of each step of this assignment.

Competencies

- ♦ Accurately posts the listing for the property for sale on the MLS® or comparable site.
- ♦ Verifies and completes the documentation required for listing a property.

Sub-competencies

- ♦ Completes the documentation of the listing

Instructions

To complete step 3:

- ♦ Verify the information obtained at the listing appointment in order to accurately list the property on MLS® or a comparable site.
- ♦ Ensure that all required documentation has been received.
- ♦ Ensure that the listing posted on the MLS® or a comparable site is accurate.

Supporting Resources

- ♦ [MLS® Contract](#)
- ♦ Disclosures: Issues and Risks

Reflection Questions

Reflect on your learning by responding to the following questions.

1. When you input all of the listing information, what systems did you use to ensure accuracy? For example, double checking measurements, clarifying questions about the property with your managing broker/seasoned licensee, and/or having a colleague review that you had completed the documents fully.
2. If your listing appeared on the MLS[®], did you review it to ensure that it accurately reflects the property? What would you do and what resources are available to you if you found an error in the MLS[®] listing?
3. If your listing was not posted on the MLS[®], what systems did you use to record and describe information about the property to other licensees and potential buyers?
4. How did you verify the accuracy of information obtained about the property?



ASSIGNMENT

Establishing Agency and Providing Trading Services

This assignment, [*Establishing Agency and Providing Trading Services to or on Behalf of a Buyer/Tenant*](#), asks you to work with a buyer/tenant to establish an agency relationship. As you progress through this assignment, keep track of the documents that you use, the questions that you pose and any other information that you can use in future buyer/tenant presentations.

In this assignment you will prepare a presentation to a potential buyer/tenant with the goal of establishing an agency relationship with the buyer/tenant. You will be required to prepare for the presentation by collecting the appropriate forms necessary to create an agency relationship including [Disclosure of Representation in Trading Services form](#), and [Buyer's Agency Exclusive Contract](#), etc. In addition you will also be required to gather information about property prices, market statistics and other relevant information. During the presentation you will also be required to qualify the buyer/tenant, ascertain their needs, and prepare a response to any possible questions that may be asked of you.

LEARNING OUTCOMES

Consult the following learning outcomes to ensure that you fully complete the assignment. You may consider this a checklist of the requirements for the completion of the assignment. By the end of this assignment, you will be able to:

- ♦ provide trading services to or on behalf of a buyer/tenant while fulfilling the duties of a buyer's/tenant's agent,
- ♦ discuss agency with a prospective client,
- ♦ present the [Buyer's Agency Exclusive Contract](#) to a prospective client,
- ♦ design a buyer's/tenant's presentation that results in an informed and educated client,
- ♦ deliver a buyer's/tenant's presentation to a prospective client,
- ♦ provide the client with accurate, relevant and current information regarding the purchase/lease of a property,
- ♦ accurately assess the value of the property,
- ♦ ascertain buyer's/tenant's wants and needs,

- ♦ discuss remuneration with prospective client,
- ♦ present the unique value of your individual service,
- ♦ discuss financial qualifications and the role of a Mortgage Broker and other professionals involved in the transaction, and
- ♦ discuss the cost of purchasing/leasing a property.

This assignment focuses on the development of your competency in the areas listed below. As you advance through this assignment, monitor your progress and comment on it in the reflection questions that appear at the end of each assignment.

Competencies

- ♦ Establishes an agency relationship with a buyer/tenant.
- ♦ Prepares for buyer's/tenant's presentation.
- ♦ Conducts a buyer's/tenant's presentation.
- ♦ Qualifies buyers/tenants.

Sub-competencies

- ♦ Describes agency relationships and determines best agency relationship with buyer/tenant.
- ♦ Applies law of agency.
- ♦ Determines the buyer's/tenant's needs and wants.
- ♦ Presents information on the benefits of working with a licensee.
- ♦ Researches the stated property needs of the buyer/tenant.
- ♦ Assesses qualifications of buyers/tenants.
- ♦ Presents information on the benefits of working with a licensee.
- ♦ Describes process of buying/leasing.
- ♦ Educates buyers on process of buying/leasing.
- ♦ Identifies appropriate technology.

Instructions

This assignment asks you to complete three tasks: discuss agency with a potential client, explain the documentation used in the purchase of a property, and develop a buyer's/tenant's presentation. The following list will serve to prepare you to make a presentation and provide services to a buyer/tenant. As you complete this assignment, record your thoughts and make note of the documents that you use. This information will be helpful when you complete the reflection questions at the end of this assignment.

Prior to meeting with a potential client, you will:

- ♦ Obtain a copy of the:
 - [Buyer's Agency Exclusive Contract](#),
 - [Tenant's Agency Exclusive Contract](#),
 - [Disclosure of Representation in Trading Services form](#),
 - [Commercial Contract of Purchase and Sale](#), and
 - [Offer to Lease](#).
- ♦ Prepare a list of questions to ascertain a buyer's/tenant's needs and wants.
- ♦ Prepare a response to the question: "Why would I work with you?"
- ♦ Prepare information about your brokerage and the services it provides.
- ♦ Research market statistics on sold, expired and active listings.
- ♦ Research prospective market areas to inform the buyer/tenant.
- ♦ Prepare a flowchart that informs the buyer of the buying process OR the tenant about the leasing process and associated costs.
- ♦ Determine the style of your presentation (iPad, hard copy, etc.).

When you meet with a potential client, you will:

- ♦ Discuss agency and have the buyer/tenant acknowledge the conversation in writing.
- ♦ Present information about your brokerage, yourself and your services.
- ♦ Determine the buyer's/tenant's needs and wants in a property.
- ♦ Discuss 'deal breakers' for purchasing/leasing a property.
- ♦ Discuss buyer/tenant qualifications and financing.
- ♦ Discuss the pre-approval process and any other pertinent financial information.
- ♦ Discuss costs associated with purchasing/leasing a property.
- ♦ Ascertain the buyer's/tenant's affordability, suggesting pre-approval prior to proceeding with service.
- ♦ Discuss your business model and commission.
- ♦ Explain the documentation used in the purchase/lease of a property.

Consider rehearsing your presentation with your managing broker or an experienced licensee before presenting to a buyer/tenant.

Supporting Resources

- ♦ Presentation of the Disclosure of Representation in Trading Services form.
- ♦ Forms:
 - [Buyer's Agency Exclusive Contract](#)
 - [CCPS](#)
 - Fee For Service Agreement
 - [Disclosure to Seller of Expected Remuneration form](#)
- ♦ [PSM: Trading Services - Acting For Buyers](#)
- ♦ How to do a CMA
- ♦ "Why would I sign with you?"
- ♦ Handout – Competition Law Questions
- ♦ Property Comparison Worksheet
- ♦ CCPS Information Sheet which outlines cost to be borne by the seller and the buyer.
- ♦ When appropriate, learner practices buyer's/tenant's presentation before managing broker and/or other trusted licensee seeking feedback

Reflection Questions

Reflect on your learning by responding to the following questions.

1. How did the Exclusive Buyer's Agency Contract assist you in explaining your duties to a client? What questions did your client have in respect to the EBAC? Did you receive any hesitation from the buyer to sign the EBAC? If so, explain.
2. How did you explain the options available under the Disclosure of Representation and Trading Services form?
3. Did you have the tenant sign an agency contract? If so, what conditions/terms did you ask him/her to agree to? What terms did you agree to? If you did not have a written contract, how did you explain and/or document your duties to the tenant?
4. Did you inquire as to whether or not the buyer/tenant had been pre-approved? When you discussed the costs associated with purchasing/leasing a property, did you reference the CCPS or the OTL information sheet? If not, how did you detail the costs for the buyer/tenant?
5. How did you ascertain the buyer's/tenant's needs, wants and deal breakers? Develop a series of questions that will help you ascertain a buyer's/tenant's needs, wants and 'deal breakers'. Share your list with your Managing Broker to provide you with feedback on your list of questions. Submit a detailed list of questions (minimum 10 questions). Which questions will you use in future? Which ones will you alter and why?



ASSIGNMENT

Showing a Property—Your Agency Responsibilities

In this assignment you will prepare to show and show a property, ensuring all your duties are understood and performed—including your agency relationship and property knowledge.

LEARNING OUTCOMES

Consult the following learning outcomes to ensure that you fully complete the assignment. You may consider this a checklist of the requirements for the completion of the assignment. By the end of this assignment, you will be able to:

- ♦ represent the seller in the sale of the property, and
- ♦ differentiate between being a hosting agent and a listing agent.

This assignment focuses on the development of your competency in the areas listed below. As you advance through this assignment, monitor your progress and comment on it in the reflection questions that appear at the end of each assignment.

Competencies

- ♦ Shows the property.
- ♦ Explains to the client how to prepare property for showing.
- ♦ Prepares for showing, scheduling, planning, marketing, preparing documentation on property for viewers/other licensees.
- ♦ Exhibits proper conduct as a licensee at the property showing.

Sub-competencies

- ♦ Researches the property.
- ♦ Educates seller regarding their role in the showing.
- ♦ Shows the property to best advantage.
- ♦ Demonstrates knowledge of building and construction.

Instructions

In order to represent the seller at a property showing, you will have to research the property and be familiar with it. Prior to showing the property, you will:

- ♦ Know the product: title search completed and reviewed, viewed the property and made notes, obtained property measurements, zoning requirements known, permits reviewed, renovations known, etc.
- ♦ Complete an accurate feature sheet/ written description of the property

During the Property Showing, you will:

- ♦ Present the property to maximize the client's potential for best offer
- ♦ Represent the seller in the sale of the property
- ♦ Describe your role as representing the seller to any prospective buyers
- ♦ If you are hosting rather than listing the property, you will follow the procedures for acting as a hosting agent.
- ♦ Present a [Disclosure of Representation in Trading Services form](#) and a [Disclosure of Risks to Unrepresented Parties form](#), if necessary.

Supporting Resources

- ♦ [FAQ about Hosting a Property Showing](#) written by Brian Taylor
- ♦ Competition Law handout
- ♦ As appropriate learner attends a Property Showing held by their office

Property Information

Land Titles

<http://www.ltsa.ca/cms/>

Council PSM

<http://www.recbc.ca/psm/title-search/>

http://www.recbc.ca/2014/04/april-2014-report-from-council-newsletter/#land_title

https://safetyauthority.ca/sites/default/files/Approval_of_Manufactured_Homes_Recreational_Vehicles_and_Factory-Built_Structure_D-E3_080606_1.pdf

<http://www.recbc.ca/pdf/rfc/2004june.pdf>

<http://www.bcregistryservices.gov.bc.ca/bcreg/mhrpg/faq.page#mhr-get-csa/q>

Water

<http://www.recbc.ca/psm/water-supply/>

Well Logs

<https://a100.gov.bc.ca/pub/wells/public/indexreports.jsp>

Health Canada Well Maintenance

<http://hc-sc.gc.ca/ewh-semt/pubs/water-eau/well-puits-eng.php>

http://www.env.gov.bc.ca/wsd/plan_protect_sustain/groundwater/wells/factsheets/PFRA_simple_chlorification.pdf#sthash.ydiPKCMY.pdf

Water Well Disinfection

<http://rdn.bc.ca/events/attachments/evID6235evattID1344.pdf> Rain Water Harvesting/

Septic

<http://www.recbc.ca/psm/sewage-disposal-systems/>

Ministry of Health Sewerage Regulations

http://www.health.gov.bc.ca/protect/lup_legislation.html

Ministry of Health Maintenance & Operation of a Septic System

<http://www.healthlinkbc.ca/healthfiles/hfile21.stm>

Health Authorities list for the Province (for obtaining Septic Permits)

http://www.health.gov.bc.ca/protect/lup_resources.html

Archaeology Data Request Form

<http://www.archdatarequest.nrs.gov.bc.ca>

Archaeology FAQ

<http://www.for.gov.bc.ca/archaeology/faq.htm>

Heritage Conservation Act

<http://www.recbc.ca/psm/heritage-conservation-act/>

Stigmatized Properties

<http://www.recbc.ca/psm/stigmatized-properties/>

<http://www.recbc.ca/pdf/rfc/2009april.pdf>

<http://www.recbc.ca/pdf/rfc/2009august.pdf>

Material Latent Defects

<http://www.recbc.ca/psm/disclosure-of-material-latent-defects/>

<http://www.recbc.ca/pdf/rfc/2009february.pdf>

<http://www.recbc.ca/pdf/rfc/2008april.pdf>

<http://www.recbc.ca/pdf/rfc/2007august.pdf>

<http://www.recbc.ca/pdf/rfc/2006december.pdf>

Advertising

http://www.recbc.ca/psm_hierarchy/subsection/?sub=advertising-requirements

Advertising Requirements Acting for Sellers

<http://www.recbc.ca/psm/advertising-checklist/>

Advertising Checklist

<http://www.recbc.ca/2013/04/april-2013-report-from-council-newsletter/#advertising>

<http://www.recbc.ca/pdf/rfc/2010october.pdf>

<http://www.recbc.ca/pdf/rfc/2010august.pdf>

<http://www.recbc.ca/pdf/rfc/2009february.pdf>

Standards of Area Measurement

http://www.recbc.ca/psm_hierarchy/subsection/?sub=property-measurements

<http://www.recbc.ca/pdf/rfc/2006february.pdf> Update

<http://www.recbc.ca/pdf/rfc/2005october.pdf>

Reflection Questions

Reflect on your learning by responding to the following questions.

1. What information did you provide to the sellers prior to the showing? What information did you provide to those who attended the showing? Write at least one paragraph detailing what you gave to sellers and those who attended the showing.
2. Were you a listing representative or a hosting agent at the showing? What is the difference between a listing representative and a hosting agent? What duties do both roles have to the seller? When asked about your role at the showing, how did you address your relationship to the seller? To potential buyers?



ASSIGNMENT

Researching Properties

In order to develop your market knowledge of the various types of properties, research two different types of properties using a number of resources including allied professionals (inspectors, contractors, civic staff, architects, experts on specific property types), online databases and traditional resources (zoning information, structural information, federal/provincial/local plans). Prepare reports for each of the two property types.

LEARNING OUTCOMES

Consult the following learning outcomes to ensure that you fully complete the assignment. You may consider this a checklist of the requirements for the completion of the assignment. By the end of this assignment, you will be able to:

- ♦ describe how property boundaries are established,
- ♦ recognize marketing features of a properties, and
- ♦ differentiate among three legal forms of property ownership common in BC: fee simple, leasehold and cooperatives. Since commercial real estate rarely, if ever, involves cooperatives, we will not discuss them in this assignment.

This assignment focuses on the development of your competency in the areas listed below. As you progress through this assignment, monitor your progress and comment on it in the reflection questions that appear at the end of each assignment.

Competencies

- ♦ Accurately researches a property.

Sub-competencies

- ♦ Identifies required resources and documentation to represent a client wishing to list/lease or buy a property.
- ♦ Familiarizes him/herself with legal ownership, property type.
- ♦ Differentiates between legal ownership, property type and marketing features of a property.

Instructions

Review the material found in the RETS course which explains legal ownership of property.

Research the two basic forms of property ownership common in BC: fee simple and leasehold. Differentiate between the two types.

Go to www.realtor.ca, any office listings, or through your boards MLS® program, and select three listings.

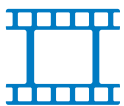
Determine:

- ♦ the **legal ownership**
- ♦ the **property boundaries**
- ♦ terms used to **market the property**

Referencing one of your listings, research what is needed to:

- ♦ Identify **legal** property ownership and **property boundaries**
- ♦ Determine required documentation to either list / buy the property
- ♦ Further research how best to market the property for a client—either a seller or a buyer.
- ♦ Identify 3 key resources for you to access during a sale or purchase of this property (e.g., property manager, BC Online, CSA, etc.)

Supporting Resources



[Video: Bruce Woolley speaks to property ownership](#)

Property Ownership written by Bruce Woolley

Council PSM

<http://www.recbc.ca/psm/water-supply/>

Well Logs

<https://a100.gov.bc.ca/pub/wells/public/indexreports.jsp>

Health Canada Well Maintenance

<http://hc-sc.gc.ca/ewh-semt/pubs/water-eau/well-puits-eng.php>

Water Well Disinfection

http://www.env.gov.bc.ca/wsd/plan_protect_sustain/groundwater/wells/factsheets/PFRA_simple_chlorification.pdf#sthash.ydiPKCMY.dpuf

Council PSM

<http://www.recbc.ca/psm/sewage-disposal-systems/>

Ministry of Health Sewerage Regulations

http://www.health.gov.bc.ca/protect/lup_legislation.html

Ministry of Health Maintenance & Operation of a Septic System

<http://www.healthlinkbc.ca/healthfiles/hfile21.stm>

Health Authorities list for the Province (for obtaining Septic Permits)

http://www.health.gov.bc.ca/protect/lup_resources.html

Archaeology Data Request Form

<http://www.archdatarequest.nrs.gov.bc.ca>

Archaeology FAQ

<http://www.for.gov.bc.ca/archaeology/faq.htm>

Council – Heritage Conservation Act

<http://www.recbc.ca/psm/heritage-conservation-act/>

Stigmatized Properties

<http://www.recbc.ca/psm/stigmatized-properties/>

<http://www.recbc.ca/pdf/rfc/2009april.pdf>

<http://www.recbc.ca/pdf/rfc/2009august.pdf>

Material Latent Defects

<http://www.recbc.ca/psm/disclosure-of-material-latent-defects/>

<http://www.recbc.ca/pdf/rfc/2009february.pdf>

<http://www.recbc.ca/pdf/rfc/2008april.pdf>

<http://www.recbc.ca/pdf/rfc/2007august.pdf>

<http://www.recbc.ca/pdf/rfc/2006december.pdf>

Advertising

http://www.recbc.ca/psm_hierarchy/subsection/?sub=advertising-requirements

Advertising Requirements Acting for Sellers

<http://www.recbc.ca/psm/advertising-checklist/>

<http://www.recbc.ca/2013/04/april-2013-report-from-council-newsletter/#advertising>

<http://www.recbc.ca/pdf/rfc/2010october.pdf>

<http://www.recbc.ca/pdf/rfc/2010august.pdf>

<http://www.recbc.ca/pdf/rfc/2009february.pdf>

Standards of Area Measurement

http://www.recbc.ca/psm_hierarchy/subsection/?sub=property-measurements

<http://www.recbc.ca/pdf/rfc/2006february.pdf> Update

<http://www.recbc.ca/pdf/rfc/2005october.pdf>

Reflection Questions

Reflect on your learning by responding to the following questions.

1. Name the resources (websites, Council documents, industry publications, etc.) that you consulted for your research of the two different types of legal property ownership. Which of the resources was most beneficial to you and why?
2. When you researched the listings on Realtor.ca/Commercial were the legal descriptions of the property accurate? Explain why it is important to understand legal ownership of a property. What terms were used to identify the property boundaries?



ASSIGNMENT

Drafting an Enforceable Contract for a Client

In this assignment you will prepare an enforceable Commercial Contract of Purchase and Sale or Offer to Lease.

Please Note: You can choose to do EITHER Drafting an Enforceable Contract for a Client OR an Unrepresented Party. You are not required to complete both assignments.

LEARNING OUTCOMES

Consult the following learning outcomes to ensure that you fully complete the assignment. You may consider this a checklist of the requirements for the completion of the assignment. By the end of this assignment, you will be able to:

- ♦ draft an enforceable contract,
- ♦ determine the best clauses to use, ensuring the buyer's/tenant's needs are met,
- ♦ determine the best price to offer and best dates to present,
- ♦ differentiate between patent and latent material defects,
- ♦ assist your client in assessing the property and in determining what, if any, specific clauses may be necessary in the contract,
- ♦ explain the process of negotiating, acceptance, conveyance, completion of transaction, and
- ♦ explain the handling of deposits.

This assignment focuses on the development of your competency in the areas listed below. As you progress through this assignment, monitor your progress and comment on it in the reflection questions that appear at the end of each assignment.

Competencies

- ♦ Complies with all legal requirements to create an enforceable contract.
- ♦ Creates an enforceable contract that ensures all your client needs have been addressed.

Sub-competencies

- ♦ Explains standard terms of a CCPS to the buyer OR the standard terms of the OTL to the tenant.
- ♦ Identifies and incorporates appropriate clauses to reflect terms and conditions necessary/desired for the buyer/tenant.
- ♦ Demonstrates knowledge of the scope of their expertise.

Instructions

To complete this assignment, with a client you will:

- ♦ Discuss your agency relationship.
- ♦ Review the standard Commercial Contract of Purchase and Sale OR the Offer to Lease.
- ♦ Discuss appropriate clauses.
- ♦ Advise the buyer/tenant on price, conditions/terms, and completion dates.
- ♦ Present comparable market analysis to the potential buyer/tenant to determine price.
- ♦ Discuss deposits as held in trust at a brokerage.
- ♦ Discuss patent and material latent defects.
- ♦ Review the property disclosure statement.
- ♦ Consult the Professional Standards Manual for standard clauses.
- ♦ Discuss timing of the offer.
- ♦ Ask your managing broker to review prior to presentation to seller's/ landlord's agent.

Supporting Resources

- ♦ [*Professional Standards Manual*](#)
- ♦ PDF Tutorial: Commercial Contract of Purchase and Sale
- ♦ [Disclosure of Representation in Trading Services form](#)
- ♦ CCPS and OTL
- ♦ [PSM - Practice Standards](#) (b) Agency (III) Obligations Related to Various Licensee Service Relationships
- ♦ [Chapter 2: Material Latent Defect](#) from *Legally Speaking* May 2016, written by Mike Mangan B.A., LL.B.
- ♦ [Requirements for handling deposits](#)

Reflection Questions

Reflect on your learning by responding to the following questions.

1. On a scale of 1 (no confidence) to 5 (very confident), how confident did you feel drafting the contract? What resources did you use to draft the contract?
2. If you asked your managing broker to review the contract prior to presenting it to the seller's agent/landlord's agent, what advice did he/she provide?
3. How did the Professional Standards Manual assist you in the drafting of an enforceable contract? What sections, clauses, and/or articles did you review that were helpful in the drafting of the contract?



ASSIGNMENT

Drafting an Enforceable Contract for an Unrepresented Party

In this assignment, you will act as a scribe in the preparation of a Commercial Contract of Purchase and Sale OR Offer to Lease based on the directions of an unrepresented party.

Please Note: You can choose to do EITHER Drafting an Enforceable Contract for a Client OR an Unrepresented Party. You are not required to complete both assignments.

LEARNING OUTCOMES

Consult the following learning outcomes to ensure that you fully complete the assignment. You may consider this a checklist of the requirements for the completion of the assignment. By the end of this assignment, you will be able to:

- ♦ draft an enforceable contract,
- ♦ differentiate between patent and latent material defects,
- ♦ explain the process of acceptance, conveyance, completion of transaction, and
- ♦ explain the handling of deposits.

This assignment focuses on the development of your competency in the areas listed below. As you progress through this assignment, monitor your progress and comment on it in the reflection questions that appear at the end of each assignment.

Competencies

- ♦ Complies with all legal requirements to create an enforceable contract.
- ♦ Creates an enforceable contract.

Sub-competencies

- ♦ Provides a Commercial Contract of Purchase and Sale to the buyer OR an Offer to Lease to a tenant.
- ♦ Includes terms and conditions requested by the buyer/tenant.
- ♦ Demonstrates knowledge of the scope of their expertise.

Instructions

To complete this assignment, with an unrepresented party you will:

- Provide the customer with the standard Commercial Contract of Purchase and Sale or standard Offer to Lease.
- Clearly state the scope of your role to an unrepresented party.
- Provide real estate statistics, including general market information.
- Disclose any known material latent defects.
- Consult Professional Standards Manual for standard clauses.
- Ask your managing broker to review prior to presentation to the seller's agent or to the landlord's agent.

Supporting Resources

- [*Professional Standards Manual*](#)
- *PSM: Acting For Buyers*
 - (b) Obligations of a Buyer's Agent
- [Disclosure of Representation in Trading Services form](#)
- [Disclosure of Risks to Unrepresented Parties form](#)
- [CCPS and OTL](#)
- PDF Tutorial: Commercial Contract of Purchase and Sale
- PDF Tutorial: Commercial Offer to Lease
- [Chapter 2: Material Latent Defect](#) from *Legally Speaking* May 2016, written by Mike Mangan B.A., LL.B.
- [Requirements for handling deposits](#)

Reflection Questions

Reflect on your learning by responding to the following questions.

1. When working with an unrepresented party, how did you explain the nature of your relationship, risks and the services that you could provide?
2. Why did the customer choose to be unrepresented?
3. If this individual(s) had chosen an agency relationship with you, what services would you have provided as a designated agent that you did not provide to the unrepresented party? Explain why.



ASSIGNMENT

Presenting an Offer and Negotiating a Counter-Offer

As a part of performing your duties to a client who has received an offer from a buyer/tenant, prepare a counter offer on behalf of your client, keeping their interests and contract requirements in mind.

LEARNING OUTCOMES

Consult the following learning outcomes to ensure that you fully complete the assignment. You may consider this a checklist of the requirements for the completion of the assignment. By the end of this module, you will be able to:

- ♦ recognize the procedures and requirements for presenting and countering an offer, and
- ♦ provide trading services to or on behalf of a seller/landlord while fulfilling the duties of a seller's/landlord's agent.

This assignment focuses on the development of your competency in the areas listed below. As you progress through this assignment, monitor your progress and comment on it in the reflection questions that appear at the end of each assignment.

Competencies

- ♦ Presents and negotiates offers that reflect the terms and conditions desired by their client.

Sub-competencies

- ♦ Acknowledges/respects law of agency.
- ♦ Applies law of agency.
- ♦ Presents offer.
- ♦ Assists the seller to negotiate the offer.

Instructions

To complete this assignment:

- ♦ Present an offer highlighting the parts that best represent your client and position them well in the negotiation process.
- ♦ In writing, counter the offer drafted by a prospective buyer/tenant.
- ♦ Present an updated Disclosure to Sellers of Expected Remuneration with each revision of the CPS.
- ♦ If necessary, place a second offer in a back-up position.

Supporting Resources

- ♦ PSM
 - 2. Acting For Sellers
 - [\(h\) Offers](#) - View Entire Section
 - (xv) Listing and Offer Guidelines

Reflection Questions

Reflect on your learning by responding to the following questions.

1. Describe in detail the process for countering an offer. Include a minimum of five steps.
2. What are three things that could 'go wrong' in a counter-offer situation? Explain how you could prevent each of these three things from occurring.
3. Define a back-up offer. How did you explain a back-up to your client or an unrepresented party?



ASSIGNMENT

Final Assignment

Overall Reflection on the Practical Field Assignments:

Your responses to the following questions will be submitted directly to your instructor.

1. In completing your practical field assignments, you were asked to apply what you learned in the 'classroom' to various activities related to the provision of trading services. In this practical application of agency, disclosure and drafting contracts, what are three things that you learned that the classroom did not teach you? Explain why these lessons were significant to you as a licensee.
2. Which of the five practical field assignments was most challenging and which was least challenging for you to complete? Explain using a minimum of three reasons for each of your choices.
3. Which of the six practical field assignments did you feel least prepared to complete? Explain your choice. Where did you find the information that you needed to complete the assignment? What resources did you access?

Use the rating scale to respond to the following questions.

4. When I had to describe designated agency to a potential client, I clearly articulated my duties to the client.
 1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity
5. When I made the disclosure of risks to unrepresented parties to a consumer, I can clearly articulated the limitations of my duties and the risks to the unrepresented party.
 1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity

6. When I was showing a property, I could address my agency role to attendees well.
1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity

7. I have a clear understanding of the correct timing for agency disclosure and the disclosure of material latent defects.
1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity

8. When I spoke to my value and expected remuneration, I felt comfortable.
1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity

9. When I listed a property, I completed the documentation accurately.
1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity

10. I used the Exclusive Buyer's Agency Contract when speaking to potential buyer clients.
1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity

11. Before showing a property, I double-checked the measurements to ensure accuracy.
1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity

12. I could access clauses from the PSM easily when drafting a CCPS.
1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity

13. After completing the online modules and the classroom instruction, I felt well prepared to complete the practical field assignments.
1. Not at all 2. Somewhat 3. Very N/A - I did not complete this activity

Respond to the following true/false questions:

14. I had to disclose a material latent defect when working with a client.

True False

15. My client disclosed a material latent defect.

True False

16. I had to disclose an interest in trade to a client.

True False

17. I had a conflict of interest situation when working with two buyers.

True False

18. I had a conflict of interest situation when working with a buyer and a seller.

True False

19. Finding information on a property was challenging.

True False

20. Ascertaining my client's needs was challenging.

True False

21. I found drafting the commercial contract of purchase and sale challenging.

True False

22. I found drafting the Offer to Lease challenging.

True False