## **Arkansas Real Estate Commission**



2023 Supervising Broker Course Curriculum: Instructor Guide

## **Table of Contents**

Course Guidelines	2
Broker Basics	3
Broker Supervision	4
Agency Representation	5
The Transaction Process	6
Notes	7

Arkansas Real Estate Commission
612 South Summit Street
Little Rock, Arkansas 72201
501.683.8010

www.arec.arkansas.gov

# Course Guidelines

The 2023 AREC Supervising Broker Course Curriculum is the overall curriculum for this course; however, instructors will have the ability to customize their offerings of the course and should submit course approvals to AREC that adhere to the following guidelines:

Each course should have as its basis the AREC Supervising Broker Course curriculum, while also incorporating a combination of the subject matter provided in the AREC Source Materials (below) and discussion of the questions and/or issues the instructor most commonly encounters in their classes and their respective markets.

#### **AREC Source Materials**

AREC Dismissed Complaints 2019 – 2022

AREC FAQs

AREC Newsletters

8 and 10 Quick Reference Guide

Agency Representation Brochure

Broker Self-Evaluation Guide

Trust Account Recordkeeping Guide

Advertising Best Practices Guide

AREC Licensing/Broker Forms

AREC Office Visit/Investigator Worksheets

This course will be 6 classroom hours. Principal and Executive Brokers are required to complete this course as part of their annual CE requirement. Associate Brokers can choose whether to attend the required broker course or the required salesperson course. Salespersons may not attend the required broker course, whether for credit or not for credit.

# **Broker Basics**

#### After supervising brokers complete this section, they should be able to:

- Describe the supervising broker's responsibilities for operating a real estate office
- Implement procedures for overseeing licensees' compliance with basic licensing requirements

## **Managing Basic Firm Operations**

- Establishing a real estate firm
- Transaction files
- Trust account, Escrow agent and record maintenance
- License applications, renewals, transfers and education requirements
- Duties of unlicensed assistants

### References

A.C.A. § 17-42-103; 17-42-309; 17-42-310 Commission Rules Sections 4, 6, 7 and 11; 10.4; 10.7; 10.8

	Notes:			
		7/:		
			· · · · · · · · · · · · · · · · · · ·	
· · · · · · · · · · · · · · · · · · ·				

# **Broker Supervision**

#### After supervising brokers complete this section, they should be able to:

- ✓ Explain the various components of broker supervision of licensees
- ✓ List issues that should be addressed in office policies and procedures
- Establish proper procedures for supervising contracts prepared by the licensees of the firm
- ✓ Discuss common challenges in supervising licensees and identify possible solutions

## **Supervising Licensees**

- Broker responsibility for activities of all licensees associated with firm
- Elements of broker supervision
- Advertising
- Independent Dealing v. Self-Dealing
- Supervising contracts
- Handling of funds

#### References

Commission Rules 10.1; 10.4; 10.5; 10.7; 10.8; 10.9; 10.10; 10.11; 10.14; 10.16

Notes:		
d		
	e · ·	*

# Agency Representation

## After supervising brokers complete this section, they should be able to:

- Explain agency representation duties owed to a client
- ✓ Describe the Principal Broker's role in agency

### **Navigating Agency Representation**

- Required agency duties
- Waiver of agency duties
- Honest dealing
- Agency forms and contracts
- Ownership of the agency relationship

#### References

A.C.A. § 17-42-108; 17-42-316 through 17-42-319 Commission Rules 8; 10.2; 10.10; 10.13(a) and (b)

Notes:	
	e e

## The Transaction Process

#### After supervising brokers complete this section, they should be able to:

- Identify limitations that licensees have when writing agreements between a seller and buyer or lessor and lessee
- Describe the supervising broker's responsibility for reviewing and signing contracts, to include the timing of such review and signature
- ✓ Determine how and when offers must be presented
- ✓ Identify common problems seen in contracts and discuss solutions
- Explain ascertaining and disclosing material facts

## Overseeing and Documenting the Transaction Process

- Significance and impact of Pope County Bar Association case
- Reducing agreements to writing
- Components of written agreements
- Reviewing and Signing Offers, Contracts and Addenda
  - o Actual review vs. "rubber stamp" review
  - o Timing
  - Addressing problems/errors
- Providing copies to all parties
- When to seek or recommend legal advice
- Presenting offers, especially in multiple offer situations
- Knowledge of property and disclosure of material facts

#### References

A.C.A. § 17-42-316(b) Commission Rules 8.5; 10.2; 10.6; 10.10; 10.12; 10.13

Notes:		9	

	Arkansas Real Estate Commissi
Notes:	
¥	
. No	4 **
	4 **