

BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

COURSE OUTLINE

COURSE NAME Real Estate Practice
COURSE NUMBER MKTG 4330 DATE SPRING, 1996
Prepared by David Westcott Taught to Second Year
School Business School Business
Program Marketing Management Program Marketing Mgt
Date Prepared December, 1995 Option Real Estate
Term 4 Hrs/Wk 2 Credits 2.5
No. of Weeks 20 Total Hours 40

Instructor David Westcott Office SE 6 - 316 Local 6763
Office Hours As posted at office

PREREQUISITES Successful completion of all Term 3 courses.

EVALUATION

Final Examination	<u>35</u>	%
Mid-Term	<u>25</u>	%
Project	<u>25</u>	%
Participation	<u>5</u>	%
Quiz	<u>10</u>	%

ATTENDANCE REQUIREMENTS WILL BE ENFORCED AS PER THE BCIT POLICY ON PAGE 2 OF THE CALENDAR. EXCESSIVE ABSENCE MAY RESULT IN FAILURE OR IMMEDIATE WITHDRAWAL FROM THE COURSE OR PROGRAM.

COURSE SUMMARY

Legal Descriptions of Land
Land Titles System - Certificates of Title
Real Estate Legal Documents, Deeds, Transfers, Mortgages, Discharges, etc.
Agreements for Sale, Assignments
Listing Agreements, Agency Requirements
Contracts of Purchase and Sale
Blueprint Reading
Builders Lien Act
IC & I Leasing Process

COURSE OBJECTIVES

This is a "lab" course which provides the student with skills in analyzing title documents, legal documents, and in writing contracts. Basic blueprint reading is covered as well as an introduction to commercial leases. Students carry out a "title-searching" project to demonstrate their proficiencies.

Upon successful completion of this course the student will be able to:

1. Describe the B.C. Land Titles system and its usage
2. Perform a search for a certificate of title and analyze all related documents
3. Interpret various legal documents relating to land, including restrictive covenants, building schemes, easements, mortgages, liens, etc.
4. Write enforceable real estate contracts, including listing contracts, and Contracts of Purchase and Sale
5. Utilize standard phrases and clauses in contract writing
6. Manage the contract from initiation to closing, including counter-offers, subject removals, and coordination of actions required by both parties to fulfill the contract, prior to completion
7. Interpret basic construction drawings
8. Interpret a commercial offer-to-lease and lease agreement

REQUIRED TEXT(S) AND EQUIPMENT

Contract of Purchase and Sale Guide: Real Estate Division, UBC, 1995.

Clauses and Phrases Booklet for Contracts of Purchase and Sale: British Columbia Real Estate Association, 1994.

Prepared Lab Text, documents and forms by Instructor

Total Cost of the above - \$40.00

REFERENCE TEXTS AND RECOMMENDED EQUIPMENT

Real Estate Salesperson's and Sub-Mortgage Broker's Pre-Licensing Course - Property Management Option, Part 2: Real Estate Division, UBC, 1995. (Selected Chapters)

Law of Vendor and Purchaser - Di Castri - BCIT Library

CCH Real Estate Law Guide - BCIT Library

Builders Lien Act - B.C. Queen's Printer - BCIT Bookstore

JOINT PROJECT FOR MKTG 4330 AND 4412

TERM 4 - 1996

This project is to be carried out by groups of 4 students, with the names of the group members to be submitted to Gary or Dave by February 1, 1996. The groups will not be the same as the Directed Studies Groups.

DESCRIPTION OF THE PROJECT

A substantial single family detached residence is to be selected for the project. It should not be a new "tract" house, but should be at least 5 years old to allow for some subjective reasoning and application of depreciation methods. The title must have at least two different charges registered, eg. mortgage, lien, easement, building scheme, etc. A property used for Directed Studies cannot be selected.

The project is to be selected with the guidance of the manager of a real estate firm. The property may be either a current listing or a proposed listing. It is to be expected that the costs of the project, ie. land title search costs, etc., will be borne by the sponsoring company.

The property chosen will then be the subject of the respective reports required for the two courses. In addition, a copy of each report will be provided to the sponsoring firm.

THE REPORTS ARE DUE BY MAY 9, 1996.

MKTG 4412 REPORT

1. The project may be either
 - a) a narrative appraisal of about 20 pages plus supporting data, charts and pictures, or
 - b) a completed formatted demonstration report form (Appraisal Institute of Canada) with attachments and support data.
2. Property is to be at highest and best use and is appraised as of the present date.
3. At least two methods of appraisal must be used to determine value.
4. A Property Condition Disclosure Statement (PCDS) is to be included as an attachment and checked against your visual inspection. Any hidden damage or discreptions should be considered and adjustments made in the report, if necessary.
5. Dollar adjustments made in the comparative analysis should have the source identified and any judgement items should be supported with your reasoning. Appraisers must convince the examiner or client that their approaches and conclusions are made on a sound basis
6. The report is worth 20% of the course mark.

MARKETING 4330 REPORT

1. The submitted report is to include the following, as a minimum:

- copy of current Certificate of Title (computer printout)
- copy of previous title
- copy of document which created the current title (eg. transfer, etc.)
- copy of all pages of all charges on title (maximum of three charges)
- copy of surveyor's plan of property, with easements, rights of way, etc., indicated
- photograph of home
- Contract of Purchase and Sale, which represents YOUR best estimate as to how the present owners obtained the property (do NOT refer to the actual Contract, even though it may be available). Use accurate information, where possible.
- a MLS listing contract (REGBV or FVREB) with associated data sheets (including all required measurements) which YOU compose, not a copy of any existing contract or listing, suitable for signing by the vendors, and submission to the local MLS system
- make up a PCDS.

2. Your report will discuss what you have found (as if for a prospective purchaser/seller):

- status of title, legal description, street address
- relevant details of all documents and charges, eg. can mortgage be assumed, prepayment penalties, liens?, effects upon property's value/saleability, etc.
- description of type of home, with exterior features, etc.
- complete details of how you think current owners purchased the property
- assessment information
- municipal tax information for 1995, including tax rates, (school, general..) etc.
- potential commission for all parties to the probable sale, using commission structure provided by your manager.

3. YOUR RESEARCH MUST BE ORIGINAL, IE. VISIT THE LAND TITLES OFFICE, BC ASSESSMENT AUTHORITY, MUNICIPAL TAX AUTHORITY, ETC. FOR ALL YOUR DATA. PROVIDE SOURCES FOR ALL YOUR INFORMATION.

DO NOT RELY UPON THE VANDAT COMPUTER SYSTEM FOR YOUR DATA!

4. Keep in mind your obligations to your principal and to third parties, as a professional.

5. The report is worth 25% of the course mark.

DATE	LABS - THURSDAY	Chapter	
Jan. 11	Legal Descriptions of Land Maps	1	
Jan. 18	Blueprints	2	
Jan. 25	Title Search - C of T's	3	
Feb. 1	Restrictive Covenants Building Schemes Easements	4	
Feb. 8	Quiz Easements, Builders Lien Act		
Feb. 15	Mortgages	5	
Feb. 22	Mortgages Mortgage Transfer 'Lis Pendens'	5,6	
Feb. 29	Misc. Documents Exercise	6,7	
Mar. 7	Mid-Term		
Mar. 14	SPRING BREAK		
Mar. 21	Review Mid-Term Listing Contracts, Agency	8	
Mar. 28	Listing Contracts, Agency MLS Forms		
Apr. 4	Contract of Purchase and Sale Cash Offer		
Apr. 11	Contract of Purchase and Sale Subject Offer Pt II of Sales Manual Phrases and Clauses Manual		
Apr. 25	Contract of Purchase and Sale Offers/Counter-offers Purchaser's Cash-Flow Req'ts, GST		
May. 2	Directed Studies Presentations		
May. 9	Commercial Leases and Offers Projects Due	16,17	Ppty Mgt.
May. 16	Review Exam		