

VIRGINIA REAL ESTATE BOARD
ADVISORY COUNCIL REPORT

DRAFT

The Virginia Real Estate Board Advisory Council met on Tuesday, October 18, 2011, at the Department of Professional and Occupational Regulation, Richmond, Virginia. The following Advisory Council Members were present:

Joseph Funkhouser, II, Chairman
Ronald Owens, Vice Chairman
Sharon Johnson, Residential Committee Chair
R. Schaefer Oglesby, Property Management Committee Chair
Ann Palmateer
Earl Jackson
Judith Childress
Joseph Carney
Boyd Smith
Scott Gaeser
Gladys Fain
Ned Massie

The following Real Estate Board Member was present:

Cliff Wells, Chair

The following DPOR Staff Members were present:

Christine Martine, Executive Director
Kevin Hoeft, Education Administrator

- I. Call to Order - 10:10 a.m.
- II. Approval of Agenda
Motion by Mr. Oglesby, seconded by Mr. Owens, approved unanimously.
- III. Introduction of Guests
Guests included Jay DeBoer, Tracey Florida and Lili Paulk of the Virginia Association of Realtors, Deana Wilson and Howard Williams of Alpha College of Real Estate and Nathan Hughes of Bandazian and Holden, Inc.

IV. Public Comment

There was no public comment.

V. Discussion of Proposed Changes to the 30-hour Education Curriculum for New Real Estate Salespersons

Chairman Funkhouser summarized the September, 12, 2011, Advisory Council Meeting Report and emphasized the Advisory Council's primary goal to recommend to the Real Estate Board a new 30-hour post license education curriculum to replace the current 30-hour post license education curriculum, which is based on the three practice tracks of Residential Real Estate, Commercial Real Estate, and Property Management.

Mr. Funkhouser added that since the September 12, 2011, meeting, three comments were received from Advisory Council members. Ms. Childress submitted a proposal outlining eight course topics and hours for the 30-hour post license education curriculum. Ms. Fain submitted a side-by-side list of the topics considered by the two break-out groups at the September 12 meeting. Ms. Palmateer submitted comments agreeing with Ms. Fain's list.

Mr. Funkhouser then opened the floor for discussion. After some discussion, Mr. Oglesby made a motion, seconded by Ms. Johnson, that each course included in the recommended 30-hour curriculum should be assigned a specific number of hours. The motion was approved unanimously.

Mr. Oglesby then made a motion, seconded by Mr. Gaeser, that the Advisory Council adopt and modify the proposal submitted by Ms. Childress to arrive at its final recommendation for the new 30-hour post license education curriculum. The motion was approved unanimously (Childress Proposal attached).

At 10:50 a.m., Mr. Funkhouser directed the Advisory Council and the education providers in attendance to divide into two work groups to discuss adjustments to the Childress Proposal and to report their findings back to the Advisory Council. Work Group One was asked to consider course topics and hours numbered one through four in the Childress Proposal, and Work Group Two was asked to consider course topics and hours numbered five through eight in the Childress Proposal.

At 11:20 a.m., the Advisory Council reassembled. Mr. Oglesby reported for Work Group One and Ms. Johnson reported for Work Group Two. After discussion, Ms. Palmateer made a motion, seconded by Mr. Owens, that the following 30-hour post license education curriculum, consisting of eight distinct courses, be recommended for approval to the Real Estate Board:

1. Fair Housing, Americans with Disabilities Act and the Civil Rights Act of 1866 – 2 hours
2. Real Estate Law and Board Regulations – including Lead Based Paint, Virginia Residential Landlord and Tenant Act, Property Owners Association

Act, Condominium Act, Common Interest Community Law, Megan's Law, Servicemembers Civil Relief Act, all required disclosures, Virginia Real Estate Board disciplinary actions, Building Codes and Smoke Detectors – 8 hours

3. Ethics and Standards of Conduct – 3 hours
4. Current Industry Issues and Trends – such as Short Sales, Social Media and Internet Advertising – 2 hours
5. Virginia Agency Law – 3 hours
6. Contract Writing – such as Listing Parties, Residential Leasing, Net Leases, Triple Net Leases, Ground Leases, Contingencies, Ownership Principles, Multiple Offers, Ratification, Delivery, Back-up Offers and Home Inspections – 6 hours
7. Risk Management – including Real Estate Settlement Procedures Act, Anti-Trust Act, Chesapeake Bay Preservation Act, Environmental Laws, Mold – 3 hours
8. Escrow Requirements – including Deposits and Trust Monies – 3 hours

The motion passed unanimously. The Advisory Council then agreed that new salesperson licensees should not be required to complete all eight courses and 30 hours with the same approved education provider. New licensees should be able to complete the eight courses and 30 hours with different approved education providers.

- VI. Virginia Association of Realtors (VAR) Professionalism Group Update
Jay DeBoer, VAR Vice President of Law and Policy, provided the Advisory Council with an update on the work of the VAR Professionalism Group including: 1) Amendments to the Board's "Place of Business" Regulation; 2) Real Estate Firm Inspections; and 3) Salesperson and Broker Pre-license Education Requirements.
- VII. There being no further business or public comment, the meeting adjourned at 12:30 p.m.

Attachment

Post License Education Requirements – 30 hrs.
.....to include

- 2 hrs 1. Fair Housing & American w/Disabilities Act
 - 8 hrs. 2. Real Estate Law & Board Regulations – including Lead Based Paint, Virginia Residential Landlord & Tenant Act (VRLTA), all required disclosures, RESPA, POA, CA, CIC, Megans Law, Environment Laws, Chesapeake Bay Act, Mold, Anti-Trust Act, VREB Disciplinary Actions, Building Codes, Home Inspections, and Smoke Detectors
 - 3 hrs 3. Ethics & Standards of Conduct
 - 3 hrs 4. Current Industry Issues and Trends – including Short Sales and Social Media
 - 3 hrs 5 Agency – including Seller/Landlord and Buyer/Tenant, Dual, Seller, Standard, Limited Service, Disclosures, Independent Contractors and Confidentiality
 - 4 hrs 6. Contract Writing – including Listing Parties, Net Leases, Triple Net Leases, Ground Leases, Deposits, Contingencies, Ownership Principles, Trust Monies, Multiply Offers, Ratification, Delivery, Back-Up Offers
 - 3 hrs 7. Risk Management
 - 3 hrs 8. Escrow Requirements
- 30 hrs